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EDMONTON

<u>Speaker</u>	<u>Agency</u>	<u>Street</u>	<u>City</u>	<u>Postal Code</u>
R.A. Steele	Alberta Construction Assoc.	10415 Princess Elizabeth Ave.	Edmonton, Alta.	T5G 0Y5
Muriel Venne Harry Daniels Elvina Strasbourg	Alta. Native Develop. Corp.	10172 - 117 St.	Edmonton, Alta.	T5K 1X3
H. Leeson	Alberta New Democratic Party	10361 - 97th Street	Edmonton, Alta.	T5J 0M2
H.H. Sommerville J.H. Chesney	Alta.-Northwest Chamber of Mines Oils Resources	10009 - 105 Street	Edmonton, Alta.	T5J 1C8
Ron McFarland	Alberta Roadbuilders Assoc.			
Dr. Leadbeater	Anglican Diocese of Edmonton	85 Ave. & 103 St.	Edmonton, Alta.	
Daphne Rathbone	Planning Committee of the Diocese of Athabasca of the Anglican Church of Canada			
A.E. Meyer	Assoc. Engineering Services	10835 - 120 st.	Edmonton, Alta.	T5H 3R1
Elmer Berlie A.C. Milroy	Assoc. of Prof. Engineers, Geologists, Geophysicists, Alta.	215-1 Thornton Court	Edmonton, Alta.	
Jim Harvey	Canadian Arctic Gas		Calgary, Alta.	
G.F. Paschen	Canadians for Responsible Northern Development	11911 University Ave.	Edmonton, Alta.	T6G 1Z6

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D.M. Murray J.H. Pletcher	Canadian Utilities Limited	Milner Bldg., 10040 - 104 St.	Edmonton, Alta.	
Rev. G.A. Mossman	Chaplains' Assoc. U. of Alta.	Students' Union Bldg. 158E, U. of Alberta	Edmonton, Alta.	T6G 2E1
Mrs. K.E. Charest		8514 - 81 Ave.	Edmonton, Alta.	
C. Murray Starr	The Church of St. John the Evangelist	11111 - 57th Avenue	Edmonton, Alta.	T6H 0Z6
Rev. Edward F. Kennedy	City of Edmonton		Edmonton, Alta.	T5J 2R7
David Leadbeater	City Council of Edmonton		Edmonton, Alta.	
Terry Cavanah	City of Edmonton		Edmonton, Alta.	T5J 2R7
Miss Kathy Vandergrift	C.J.L. Foundation	RR#6, Box 171	Edmonton, Alta.	P5B 4K3
Larry Bujold	Development and Peace,	Box 99	St. Paul, Alta.	
Keith Johnson	Development & Peace Committee of Edmonton Catholic Diocese	14811 - 108 Ave.	Edmonton, Alta.	T5N 1H3
Betty Farrell	Development & Peace Committee of St. Joseph's Cathedral	11323 - 111 Ave.	Edmonton, Alta.	T5G 0C8
Dawn Dickinson				
D.S. McKenzie	Edmonton Chamber of Commerce	9905 - 101A Avenue	Edmonton, Alta.	T5J 0C2

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EDMONTON

<u>Speaker</u>	<u>Agency</u>	<u>Street</u>	<u>City</u>	<u>Postal Code</u>
Vernon R. Wishart	The Edmonton & District Council of Churches		Edmonton, Alta.	
Roland Dion	Edmonton Inner City Assoc.			
John McFarlane	Edmonton Presbytery, United Church of Canada	5939 - 149 Ave.	Edmonton, Alta.	
E.J. Powell	Edmonton Voters' Association	10215 - 131 Ave.	Edmonton, Alta.	
Mrs. Pat Hayes		Box 2825	Hinton, Alta.	
Joe Schommer	Immaculate Heart Parish	6504 - 98 Street	Edmonton, Alta.	
W.S. Bannister	Inland Cement Industries Ltd.	P.O. Box 2555	Edmonton, Alta.	T5J 2T1
Harold Cardinal	Indian Assoc. of Alta.	11710 Kingsway Ave.	Edmonton, Alta.	
Brigitte Jahrig		13811-66 St., #25	Edmonton, Alta.	
Sara E. Johnson		P.O. Box 15,	Spruce Grove, Alta.	
Esther Lucier				
Eugene Ulmer	Lutheran Student Movement in Canada	158C Students Union Bldg., U. of Alta.	Edmonton, Alta.	
Andrew MacDonald		10554 - 83 Ave.	Edmonton, Alta.	T6E 2C9
John R. McDougall		1100 Empire Bldg. 10080 Jasper Ave.	Edmonton, Alta.	T5J 1V9
Mildren Heeks	McClure United Church	14604 - 80 St.	Edmonton, Alta.	T5C 1L9

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<u>Speaker</u>	<u>Agency</u>	<u>Street</u>	<u>City</u>	<u>Postal Code</u>
Mr. Ambrose Laboucane	President of Métis Assoc. of Alberta			
Mr. Allen Moberly		Box 1185	Hinton, Alta.	
Eric Shirt	Nechi Institute on Alcohol and Drug Education			
Mrs. E. Pertschy		16205 - 92 Ave.	Edmonton, Alta.	
J.E. Barry	R. Angus Alberta Ltd.	P.O. Box 2405	Edmonton, Alta.	T5J 2S1
Marsha Rigney		Box 90	Bon Accord, Alta.	
Ian D. Robertson		#21, 10224-119 St.	Edmonton, Alta.	T5K 1Z4
Dr. Noah Carpenter			Sachs Harbour	
E. Preston Manning	Slave Lake Developments Ltd.	208, 10355 Jasper	Edmonton, Alta.	T5J 1Y6
Linda Spencer			Red Deer, Alta.	
Louise Swift	S.T.O.P.	Box 1633	Edmonton, Alta.	
Betty Pascher	St. George's Anglican Church	11703 - 87 Ave.	Edmonton, Alta.	
Bart Hall-Beyer	Study Group			
Fr. F. Croteau	St. Louis Parish		Bonnyville, Alta.	
Miss Linda Mulhall	Student Christian Movement	11703 - 87 Ave.	Edmonton, Alta.	
Rev. Fletcher Stewart	Univ. of Alta.			
	Ten Days for World Develop.	11703 - 87 Ave.	Edmonton, Alta.	

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Tom M. Turner		Box 414	Cold Lake, Alta.	
Ms. Betty Mardiros	Voice of Women	96 St. George's Cres.	Edmonton, Alta.	
Kenneth C. Kuhn	Western Canada Synod of Lutheran Church in America Bldg., U. of Alta.	158C Students Union	Edmonton, Alta.	
Everett Peterson	Western Ecological Services	211 - 11 Fairway Dr.	Edmonton, Alta.	
Mrs. Olga Alexandra Wiskel		6322 - 103 Ave.	Edmonton, Alta.	T6A 0T6

MACKENZIE VALLEY PIPELINE INQUIRY

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COMMISSIONER

Mr. Justice Thomas R. Berger

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OPENING REMARKS

BY THE HONOURABLE MR. JUSTICE T. R. BERGER

AT THE HEARING OF THE

MACKENZIE VALLEY PIPELINE INQUIRY

EDMONTON, ALBERTA

MONDAY, MAY 17TH, 1976

2:00 P.M.

We in Canada stand at our last frontier. We have some important decisions to make, decisions for which all of us will share a measure of responsibility.

Two pipeline companies, Arctic Gas and Foothills Pipe Lines, are competing for the right to build a gas pipeline to bring natural gas from the Arctic Ocean to southern Canada and the United States. The Government of Canada has established this Inquiry to see what the social, economic and environmental consequences will be if the pipeline goes ahead, and to recommend what terms and conditions should be imposed if the pipeline is built.

We are conducting an Inquiry about a proposal to build a pipeline along the route of Canada's mightiest river; a pipeline costlier than any in history; a pipeline to be built across our Northern Territories, across a land where four races of people (white, Indian, Metis and Inuit) live, where seven different languages are spoken; the first pipeline in the world to be buried in the permafrost.

The pipeline project will not simply consist of a right of way. It will take three years to build. It will entail hundreds of miles of access roads over the snow and ice, it will mean that 6,000 workers will be needed to build the pipeline, and 1200 more to build the gas plants in the Mackenzie Delta; it will mean pipe, barges, wharves, trucks, machinery, aircraft, airstrips; in addition, it will mean enhanced oil and gas exploration and development in the Mackenzie Valley, the Mackenzie Delta and the Beaufort Sea.

The Government of Canada has made it plain that the gas pipeline is not to be considered in isolation. In the Expanded Guidelines for Northern Pipelines they have laid it down that we are to proceed on the assumption that if a gas pipeline is built an oil pipeline will follow.

So we must consider the impact of an energy corridor that will bring gas and oil from the Arctic to the mid-continent.

It will be for the Government of Canada, when they have my report and the report of the National Energy Board, to decide whether the pipeline should be built and the energy corridor established. These are questions of national policy to be determined by those elected to govern.

My task, and the task of this Inquiry, is to make sure that we understand the consequences of what we are doing, to enable the Government to make an informed judgment.

The Inquiry began its hearings on March 3, 1975 in Yellowknife. Since then we have held many months of formal hearings listening to the evidence of engineers, scientists, biologists, anthropologists, economists, listening to the people who have made it the work of their lifetime to study the North and Northern conditions.

The environment of the Arctic has been called fragile. That may or may not be true. Arctic species certainly are tough. They have to be to survive, but at certain times of the year, especially when they are having their young, they are vulnerable.

If you build a pipeline from Alaska along the Arctic coast of the Yukon you will be opening up a wilderness where the Porcupine Caribou herd calves - on the coastal plain and in the foothills - every summer. Then it is proposed that the pipeline from Alaska should cross the mouth of the Mackenzie Delta, where the white whales of the Beaufort Sea have their young each year. Millions of birds come to the Mackenzie Delta and the coast of the Beaufort Sea each summer from all over the Western Hemisphere to breed and to store up energy for their long journey south in the fall. Can we build pipelines from the North under conditions that will ensure the survival of these species? These are some of the questions that we are examining.

But it is the people of the North that have the most at stake here, because they will have to live with whatever decisions are made.

That is why the Inquiry has held hearings in 28 cities and towns, villages, settlements and outposts in the North, to enable the peoples of the North to tell me, the government and all of us what their life and their own experience have taught them about the North, and the likely impact of a pipeline and energy corridor.

The Inquiry has been from Sachs Harbour to Fort Smith, from Old Crow to Fort Franklin, and has heard from 700 witnesses in English, French, Loucheux, Slavey, Dogrib, Chipewyan and Eskimo.

Our task is to establish constructive approaches to Northern development. If we are to do that we have an obligation to canvass all of the questions before us.

Some of these questions are: Should native land claims be settled before the pipeline is built? If it is built, and the native people want to participate in its construction, how can we ensure that they are given an opportunity to work on the pipeline? Can they develop skills on the pipeline that will be of some use to themselves and to the North after the pipeline is built? Can we provide a sound basis for Northern business to obtain contracts and subcontracts on the pipeline?

What about the unions? We are told they have an awesome measure of control over pipeline construction in Alaska. Should they have the same measure of control over pipeline construction in the Mackenzie Valley?

What about the local taxpayer in Yellowknife and Inuvik? If you have a pipeline boom, you will have to expand your schools, your hospitals, your police force, your local services. What measures ought to be taken to enable the municipalities and other institutions of local government to cope with the impact?

We Canadians think of ourselves as a Northern people. So the future of the North is a matter of concern to all of us. In fact it is our own appetite for oil and gas, and our own patterns of energy consumption that have given rise to proposals to bring oil and gas from the Arctic.

It may well be that what happens in the North and to Northern peoples will tell us what kind of a people we are.

That is why we are here to listen to you.

In Edmonton on May 17 and 18, the Commissioner heard fifty-seven presentations, and received nine briefs from such diverse groups as The Alberta Indian and Metis Associations, individual and collective businesses, environmental and church groups and individuals.

As is consistent with other cities on the southern tour, the main recommendation of all anti-development groups is that land claims must be settled prior to pipeline development. Most often, this demand was made in the context of a 10-year moratorium. During the moratorium, it was claimed that land claims could be settled, environmental safeguards could be ensured and energy alternatives could be developed.

The second major position, taken most often by church groups, was that there has to be a fundamental change in Canada's over-consumptive society. It was their contention that, with proper conservation, there would be no need for the energy for at least 10 years.

Two specific proposals made by native individuals who had experienced petroleum development were: 1) an advisory board of native people be established to oversee construction techniques, and 2) that a native representative from the Northwest Territories be appointed to assist northern natives to gravitate to Edmonton.

At least fifteen briefs supported development in general and the pipeline concept specifically.

The Edmonton Chamber of Commerce said that while there must be an early settlement of land claims, the government must take the initiative. They said the delay that has been caused by government inaction is inflaming the situation. The brief noted that the economic benefits of the pipeline will accrue to all Canadians. The Chamber also said the pipeline would draw the kind of skilled labour force to Edmonton that would cushion the future shock caused by the diminishing oil industry.

Noting that Canada is developing a petroleum expertise that is internationally recognized, the Association of Professional Engineers, Geologists and Geophysicists of Alberta told the inquiry that this expertise will help the industry build a pipeline in the Northwest Territories that will benefit all Canadians.

A Canadian Utilities Limited brief described the north as at the same threshold as Alberta was in the 1950's. The brief said that building the pipeline was technically, environmentally and socially feasible.

Inland Cement's fuel costs, according to Bruce Bannister, Inland President; represents over thirty per cent of the total cost of production. While their natural gas demand is at present 6.1 bcf per year (approximately the same as the City of Edmonton), it is expected to climb to 11.2 bcf per year in the very near future. He said the cost of conversion of their operations from natural gas to oil would be \$ 12 million, and that operations and maintenance costs would be significantly increased. He maintained that development can proceed without prejudice to the native land claims.

A brief from the Alberta Northwest Chamber of Mines, Oils and Resources told the Commissioner that without pipeline development, present northern standards of living could not be maintained. "Only through continued natural resource development can social progress be sustained."

John Barry of R. Angus (Alberta) Limited, described in depth his company's involvement in northern development and its reliance on the continuation of development. He outlined the R. Angus training program which has put 245 heavy-duty mechanics into the work force since 1961. Emphasizing the need for native employment, Mr. Barry said that a decision to build the pipeline must be made immediately. Any delay could cause a forced decision in the future, and industry could not be expected to commit training funds until some form of approval is given. Mr. Barry said that contrary to previous testimony, Arctic conditions would not severely affect construction machinery. He said that to make such a statement "ignores the past".

John McDougall, President of Dalcro Engineering, told the Commissioner that the benefits of the pipeline will outweigh the negative impacts. "A positive choice cannot avoid some risk," he said.

R. A. Steele, Chairman of the Board of the Alberta Construction Association, cited the need for gas in his support for construction of the pipeline. Drawing on northern experience for twenty-five years, he said industry can and will use northerners to the fullest extent possible.

A. E. Meyer, of Associate Engineering Services, said that his company has done a great deal of engineering work for numerous northern communities, and it is the lack of any economic base which most severely hampers these communities. He said that development is well underway in the north, and that it would continue for at least 100 years if the pipeline is built.

The Alberta Road Builders' Association pointed to the Hare North Project, and the desire for many young northerners to find work, as proof that the North can benefit from an early start on the Mackenzie Valley pipeline.

In an unexpected brief, Dr. Noah Carpenter, a Sachs Harbour Inuit now residing in Edmonton, told the Commissioner that if Canada needs the energy resources, it must be developed for Canadian use, regardless of the source. He said many of the emotional presentations were unfounded and that the Inuit were ready for development.

At least three briefs in Edmonton did not take sides, but instead attempted to shed some light on the interactions of communities and individuals and petroleum development. Muriel Venne, co-ordinator of the Alberta Native Development Corporation, and the Native Outreach Society, presented an in-depth overview of the Native Outreach Program as it has developed in Fort McMurray for the development of the Alberta Tar Sands.

The City of Edmonton brief, presented by Mayor Terry Cavanagh, called on the provincial and federal governments to help finance the growth that will be necessary in Edmonton. He recommended that a task force of the three levels of government and industry be set up to study the possible impacts and their resolution.

Preston Manning, President of Slave Lake Developments Limited, described how his company has created a mechanism to better enable the petroleum industry and northern residents to work together to their mutual advantage. The Company, owned by the Sawridge Indian Band, local businesses and local residents, was set up to use petroleum industry generated capital and local money as a joint venture which would assist social and economic development in the Slave Lake region.

In response to specific concerns, Jim Harvie, Arctic Gas Vice President, told the Inquiry during one of the allotted "comment periods", that:-

- there must be a co-operative effort between the people of the north, government and industries;
- development must proceed to prevent the "present unsatisfactory lifestyle in the north" continuing;
- the Foothills proposed moratorium is self-serving and conflicts with the suggestion that they may work with North-west pipelines;
- in his personal view, all the presently discovered reserves in the Mackenzie Delta will be needed in the Canadian markets just as soon they can be attached.

The Inquiry continues in Regina May 19.

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SUBMISSION

BY THE

CITY OF EDMONTON

TO THE

MACKENZIE VALLEY PIPELINE INQUIRY

MR. JUSTICE T. R. BERGER PRESIDING

PRESENTED MAY 17, 1976 ON BEHALF OF THE
CITY BY HIS WORSHIP MAYOR T. J. CAVANAGH

Prepared by:

The Study Team appointed by the
City of Edmonton Commission Board

PREAMBLE:

Mr. Commissioner, this Preamble will highlight some of the specific concerns of the City of Edmonton with regard to the building of the proposed Mackenzie Valley Pipeline. Obviously, a project of this magnitude will result in an immense impact on the City of Edmonton. It is essential, therefore, that these concerns will become part of your Commission's considerations with respect to the proposed pipeline.

The City of Edmonton recognizes the proposed pipeline will have a significant effect on other people and communities. However, the contents of this submission are restricted by necessity, to those concerns which impact upon Edmonton.

In brief, some of the concerns of the City include:

1. What will be the increased demand for housing in Edmonton?
2. What inflationary effects, if any, will be created by demands of the pipeline?
3. What will be the level, the cost and the nature of increased social service demands in Edmonton?
4. What effect will there be on the level of criminal activities in Edmonton?
5. What additional demands will be placed on Edmonton's medical and hospital services?
6. What additional demands will be placed upon Edmonton's educational institutions?
7. What demands will be placed on Edmonton for additional transportation and distribution facilities?

To date, no substantial research work has been conducted with respect to the above concerns. No information exists on how Edmonton could

best respond to these matters, and minimize or avert problem areas.

Should the pipeline proceed, Edmonton will be expected to provide the above services. Therefore, it is essential that the necessary studies be undertaken as quickly as possible.

CONCLUSIONS:

From the information that has been given in this brief, it will be appreciated that the building of the Mackenzie Valley Pipeline will result in advantages and challenges to this area through the construction and operation of that line. The City of Edmonton wishes to emphasize, in a national undertaking of this kind, that care must be taken to assure the burden of this type of a project does not fall unfairly on any particular segment of the community. In particular, the City is concerned that the construction of the Mackenzie Valley Pipeline will provoke some significant economic and social problems for Edmonton and the immediate area.

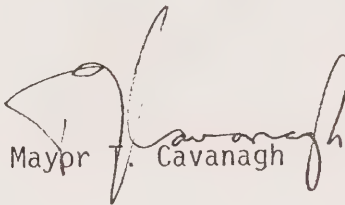
We stress that no substantial work has been done in respect to the measurement and understanding of the impact on our area. We believe it essential that such work should be done so that policies can be formulated which will effectively avoid problems arising from the construction of the line. The City of Edmonton in common with most of the major municipalities in Canada (even including those which are not building Olympic facilities), is facing very stringent financial times. This situation arises largely as a result of the inadequacy of the revenue sources available to the city. These inadequacies are nowhere more apparent than in the case of an undertaking such as the Mackenzie Valley line which, while economically justified, nevertheless distributes its cost in such a fashion as to place much of the

burden on the local municipality and on the services that it must by law provide and at the same time casts the benefits over a much broader sphere. In particular and specifically, the City of Edmonton wishes to emphasize to this Commission that the financial needs of the local communities ought to be of paramount importance to the senior governments and an integral part of the economic and social planning related to this particular project. We believe that the provincial and federal governments must provide supplementary and additional assistance to fast growing areas such as ours when that growth is brought on by activities promoted by those governments.

RECOMMENDATION

Mr. Commissioner we urge you to recommend the creation of a small task force comprised of representatives of the Federal Government, the Provincial Government and the local municipalities, to define and quantify the financial requirements of the local municipalities impacted by the Mackenzie Valley line. Such a committee or task force should have the power to establish and recommend procedures to meet the social problems discussed and the degree and character of the financial assistance to be provided to those municipal areas affected by the building of the line. Consortiums proposing the building of a pipeline should be required to provide the basic impact data to this task force.

As a municipality vitally interested and concerned with the growth of resource industries in Canada, we must be able to provide the necessary services so essential to a national undertaking such as the one that you have been charged to examine, all of which is respectfully submitted;



Maypr T. Cavanagh

1. The City of Edmonton welcomes the opportunity to make this submission to the Berger Commission. We recognize the Commission has initially anticipated that it would concern itself with those economic and social aspects of the pipeline that will have an impact above the 60th Parallel. We do, however, believe that an undertaking of this kind will have some significant effects on other areas of Canada and particularly on our own area. We, therefore, welcome this opportunity to draw to the attention of the committee some of the social and economic consequences or possible consequences of this undertaking on areas below the 60th but still immediately concerned with the line construction and operation.
2. The sponsors of the northern pipeline proposal have compiled an impressive library of documented material in support of their project. We would like to bring to the Commission's attention, however, the absence in this material of information describing the social and economic consequences on any area south of the 60th. A search of the records of both the companies proposing to build the northern pipeline, and of the Provincial and Federal Government departments concerned about the existence of such a pipeline, has led to the conclusion that there are no substantial studies directed to measuring the economic impact on a particular area such as Edmonton due to the construction and operation of the pipeline. In other words, we do not have the kind of quantitative measures that we need to guide us.

The City of Edmonton believes that this is a serious deficiency as the previous experience with projects of this kind indicates that there will be a substantial economic impact and, we in the City of Edmonton, believe that it is necessary to have good clear and substantiated measures of that impact in order to deal, from a policy standpoint, with these matters. As we will indicate in a later part of this submission, the economic impact on the City itself will involve financial and economic considerations. In order to effectively deal with this, it is necessary to have a fairly high level of economic data.

3. The City of Edmonton has a long history of close association with major undertakings and particularly major undertakings in Canada's North. Long before the first discoveries of oil and gas in the Territories, the City of Edmonton was a provisioning and supply point for northern activities. With the discovery of oil and gas at Norman Wells and the subsequent development of that source of supply during the Second World War, the City of Edmonton was a focal point for construction and development activity.

I am sure the Commission is familiar with many aspects of the City today, but it may be useful if we were to outline briefly some of the major attributes of our present development. The City of Edmonton has a population approaching 455,000 people, which rises to upwards of 600,000 people inside a 25-mile radius. As pointed out by the Edmonton Regional Planning Commission, Edmonton faces

an era of unprecedented economic and population growth. Approximately 82% of Alberta's 6,000 plus oil wells are within 100 miles of Edmonton, as well as 13 of Alberta's principal oil fields, and over 4 billion barrels of proven conventional oil reserves. Edmonton now is the crude oil refining center of the West with a potential refining capacity of 268,000 barrels per day. More than 10,000 miles of crude oil, natural gas, and refined products pipelines terminate and begin in the City. The City's geographical location leaves it as the closest major center for all of Northern and Central Alberta. Edmonton possesses good transportation links to the north by rail, the Northern Alberta Railway; by highway; several all-weather roads link Edmonton with the north, and the Mackenzie River system; and by air.

In terms of industrial growth, Edmonton is continually attaining new levels of achievement and progress. As of January, 1975, investment in industrial projects either proposed or under construction in the Province of Alberta stood at \$13.3 billion. Of this amount 89.97% is slated to occur north of Red Deer. As the capital of Alberta, Provincial departments along with departments of the Federal Government, make Edmonton the decision centre of Alberta. In early 1978, Edmonton will become the third city in Canada to have a rapid transit system. This new \$64,000,000 facility will provide the citizens of Edmonton with fast, quiet and comfortable public transportation.

Edmonton possesses a variety of recreational, social, and educational amenities. City parks ranging from historical to fantasy to recreational, abound throughout Edmonton. Edmonton is recognized as one of the leading centres of Canadian culture. The Edmonton Symphony and the Alberta Ballet are just two aspects of Edmonton's culture. Edmonton is the location of Canada's third largest university. This facility, combined with the nation's largest technical institute (The Northern Alberta Institute of Technology - NAIT), provides Edmonton with outstanding educational facilities and the potential to generate professional, managerial, and highly skilled tradesmen. The Research Council of Alberta, located in Edmonton, provides a most important contribution to the development of Alberta's industry and resource development.

4. The City of Edmonton, through its Gas Committee, has for a number of years made representations to the Energy Resources Conservation Board of Alberta respecting energy requirements and gas reserves and/or supply necessary to meet the 30-year requirements of the Province of Alberta. The City has voiced its concern a number of times regarding future gas supply both locally and in the province. In addition, the City has been cognizant of the possible shortfall of gas for all of Canada. This potential shortage of gas supply might be relieved fully or in part by Delta gas transported through a Mackenzie Valley Gas Pipeline. Although it is understood that most of this northern gas will be destined for markets outside

the province, it will have the effect of reducing demand for Alberta gas the thus protecting local future gas supply. Any possible shortage of gas supply would have extremely serious implications and ramifications for those in the City and the Edmonton area who are not only using gas for home heating but are using electricity currently generated with natural gas. Although future power generation in the province is forecast to use coal as a fuel, there are significant requirements now, and in the future, for the City's present gas-fired electric generation plant.

5. The City of Edmonton recognizes that the building of the Mackenzie Valley Pipeline will result in significant economic and social impacts upon the City. We submit that these impacts can result in serious financial and social consequences upon the City and that the pipeline as a national undertaking should be built and operated in such a fashion as to not burden the City and area with an unfair proportion of the costs of that undertaking. In other words, the City believes that while there are major benefits to be gained, it does want to bring to the attention of this Commission the areas in which costs and impact will be particularly heavy on the City.

A Pipeline differs in important respects from major industrial installations in the following way:

- (a) pipeline construction is a moving project with transient impact on local areas

- (b) pipelines in northern areas have a very cyclic schedule largely because of the constraints of climate north of the 60th, construction in the main will take place only from late October to April
- (c) pipeline construction project crews do not constitute a permanent work force for the areas involved; and
- (d) the labour force involved in subsequent phases of operation and maintenance is relatively small in comparison to the force involved in the construction phase

The impact of a proposed Mackenzie Valley Pipeline can be measured to some extent by the experience gained in the construction of the TransCanada Pipeline, the Interprovincial Pipeline and the Syncrude Oil Sands project. In the following paragraphs, we will briefly outline the nature of this impact as it relates to the City, bearing in mind, however, that there is very little quantitative data presently available for this purpose. In the following paragraphs the impact of direct capital expenditure, indirect capital expenditure and finally operating expenditures are considered.

6. The direct economic impact on Edmonton may be measured first of all with respect to the spending of capital for the line itself in the Edmonton area. It must again be emphasized that, with respect to the Mackenzie Valley Pipeline, little information as to its regional impact south of the 60th is known. However, quantitative data is available regarding the Syncrude Oil Sands project and its impact on the City. We are not suggesting the northern pipeline and the Syncrude Project are comparable, but nevertheless the

Commission might be interested in the figures as an indication of magnitude and measuring technique. Based on the result of a comprehensive study of the impact of the Syncrude Project on Alberta tabled in the Alberta Legislature, it is estimated, that \$1.65 billion or 70% of the total capital outlay for Syncrude will be spent in Alberta. \$0.52 billion of the Alberta content portion represents expenditures for material and equipment. As has been shown by the Syncrude project, the nearest major metropolitan centre project site plays a significant role during construction. Almost all of the material and equipment will be distributed to the site from Edmonton. A continuing impact from Syncrude employment will accrue from the spending by the labour crew for purposes of rest and recreation at the nearest major entertainment center. One should also mention here the major requirements on the City to secure the needs of Syncrude's construction camp in terms of food supplies, lodging supplies, maintenance materials and so on. We acknowledge that the capital spending in Edmonton as a portion of total spending is not likely to be large in the case of a northern pipeline, but it may still be significant in terms of creating employment and indeed encouraging development of a technology. A pipeline of the size and magnitude envisioned for the Mackenzie Valley Pipeline will require an extensive degree of automation, remote control and remote sensing. The unique technical services required, for example, by the pipeline for environmental monitoring, and pressure surge control systems may

bring to the City significant amounts of capital and technical people to generate this equipment, distinct from capital spending for supplies as such. There will also be in the capital spending program, large amounts of people-maintenance-expenditures.

7. With the construction of the pipeline it is anticipated that there will be a significant additional development of oil and gas reserves in the area traversed by the line. The impact of this additional oil and gas development on a particular area may vary somewhat, but recent studies indicate that oil industry activity in itself has a significant spending and employment impact.
8. The daily operations of a northern pipeline will have its own type of economic impact on Edmonton. Revenue received by the pipeline in the form of tariff permits will be disbursed in part for day-to-day operating supplies plus salaries and wages. It would seem logical to assume that for the most part, the point of origin for the day-to-day operating material will be Edmonton. As Edmonton is the largest northern most city in Canada, and has major transportation linkages with the north, we see Edmonton as the one most affected by pipeline operations.
9. The indirect economic effect on Edmonton will be felt in both the capital development phase and in the subsequent operating phase. The capital development phase indirect impact was previously exemplified by reference to Syncrude and local suppliers "gearing-up."

In the operating phase there will inevitably be expenditures required in Edmonton for some of the infra-structure necessary to support the activities that have previously been discussed. This in turn will generate the need for the indirect investment and indirect creation of services and so on.

10. Turning from economic considerations, we would now like to discuss specific areas where a northern pipeline would have a social impact on the City of Edmonton. The first of these is the impact on population growth. The Planning Department of the City of Edmonton has prepared projections of population, utilizing a cohort survival technique based on separate assumptions for each of the components of population change: fertility, mortality, and migration. These projections are provided as Attachment I. The assumptions used for the migration component of these projections are based on historical analysis and the evaluation of current information, which takes into account the impact of continued resource development and significant industrial expansion. The recommended median population projection for the Edmonton sub-region assumes an optimistic annual migration rate of 9,200 based on the five-year average for the region between 1966 and 1971. This high rate of growth recognizes the impact of substantial levels of capital development in the area, assumes significant economical growth in terms of an expanded labour force and concomitant population growth, and implicitly assumes such major industrial undertakings

as the Mackenzie Valley Pipeline. As the construction of the Mackenzie Valley Pipeline should have minimal effect on the distribution of population in the Edmonton region, the impact of the pipeline on population growth should focus on the region as a whole rather than at the City scale.

11. History has shown that economic development in the North has resulted in the progressive migration of native peoples to populated communities of the South. This migration has resulted in social and economic difficulties for native peoples. To date, no solution to these difficulties has been established. The construction of a Mackenzie Valley Pipeline could very well accelerate native migration and increase the intensities of the difficulties being experienced. It is important therefore, that this area of social concern be further studied prior to the construction of the proposed pipeline.
12. Another impact of a northern pipeline on the City of Edmonton relates to local and regional employment. We understand in the case of the Mackenzie Valley Pipeline that employees will be actively discouraged from bringing families into the north. Base camps will be self-sufficient in terms of housing, recreation, medical, and other amenities, but will not necessarily provide family accommodation. Work schedules are expected to be intensive, averaging ten hours per day, seven days a week for periods ranging from 60 to 120 days, followed by rest and relaxation in southern

cities or home areas. We are told Edmonton will be the supply base for the transportation and the recruitment of many of the personnel for the line. The construction work force could vary from 5,000 to 12,000 workers, but it should be remembered that in an undertaking of this kind there is normally a very high rate of turnover in the labour force. This means that while there might be a group of as many as 12,000 people working at any particular time, the backup force required to maintain this level of employment could be as much as 50% higher in number. The recruitment and placement of large numbers of workers such as this will inevitably have a very severe effect on the availability of those kinds of persons to ordinarily operate undertakings in the Edmonton area. The City of Edmonton Planning Department has prepared employment projections for the Edmonton sub-region, and these are appended as Attachment II. Note that the rate of increases of employment for the Edmonton sub-region will in most cases exceed the Canadian average. It should also be recognized that the cost of obtaining the services of these kinds of people in the Edmonton area will be very, very high. The experience with the Syncrude development is very enlightening in this respect. The three key areas of employment at Syncrude are for electricians, for pipefitters, and for welders. It has been found that there is a severe shortage of personnel in each of these categories for the ongoing projects in Edmonton. Indeed, in respect to our own City of Edmonton utility plant undertaking, we have found that the rates and availability

of personnel has been drastically affected by the Syncrude project. The wage rates paid in the north have always had a persuasive effect in the City of Edmonton, and, of course, with a project such as the Mackenzie Valley Pipeline, this will be no exception. It should be remarked that availability and price transmit themselves through the service and construction sectors quite beyond the immediate areas involved in northern construction.

13. It is not possible to predict with accuracy the housing demand in the City that will emanate from the Mackenzie Valley Pipeline. The first housing requirement will presumably be for an administrative core group that could involve anywhere from 200 to 1,000 employees. The City Planning Department has estimated that we now have an aggregate demand for 9,500 housing units per year, of which currently approximately 8,000 are being built. Long term estimates of family formations include assumptions that the economy will advance at a continuing active rate and, in this light, the expected housing impact from the initial administrative group for the northern pipeline could in itself be significant. With reference to the previously mentioned restriction upon non-family movement into the general construction areas, our experience so far in the Edmonton area would indicate that a large number of migrating northern pipeline workers will actually move their families into the general Edmonton area. This type of movement, even if it affected only a small portion of the work force, would create an additional demand for housing in the Edmonton area. A probable demand for 2,000 -

3,000 housing units occasioned by this effort would put great pressure on housing including the provision for mobile home parks.

It must also be remembered that we are here speaking about only the direct employment effects of the pipeline, and as previous studies have indicated, these are normally somewhat less than 50% of the actual effective demand.

14. The families of workers employed by the Mackenzie Valley Pipeline will also create unique demands on the City and its service. In the area of social services there are some very important considerations as far as the City of Edmonton is concerned. The influx of families of persons employed on the pipeline project provokes problems respecting the provision of educational facilities, day-care facilities and other social services. It must also be appreciated that, in a work situation of the type involved in the pipeline, there may be significant social problems brought on by the absence of the husband over lengthy periods of time, plus the general instability provoked by the movement into a new area. As a major population center we recognize that we must meet these sorts of problems, and that meeting these problems involves a heavy expenditure of effort and of funds. Where such services are provided by or financially supported by senior governments it is peremptory that the municipality be assured that adequate support or services will be provided.

15. The present desirable economic climate in Alberta is already

attracting sizable numbers of skilled and unskilled workers in search of work. Increasing numbers of unemployed workers, with or without families, and with non-existent or meagre resources straining existing hostel and family support services to the limit. Registrations at the Provincial Single Men's Hostel, for example, increased over 10% between 1974 and 1975. Publicizing a major pipeline project will add to the influx and appropriate services are necessary to deal with the situation.

16. The City of Edmonton is concerned about the lack of information to allow an examination of the impact of the pipeline on health services, education, and police and security. Sophisticated first aid facilities are going to be provided in base camp operations but, for medical services or hospitalization, the project will be dependent on local resources or major medical and hospital facilities in the southern cities, especially Edmonton. The pipeline consortium's policy in respect of financial responsibility is not firmly defined, but it was suggested that these matters would be reviewed on a case-by-case basis depending on each member's insurance coverages.

To the extent that additional families enter the municipality, additional school capacity will be required to provide education for children. This can be significant. For example, assuming an increase of 1,000 units of housing composed 50% of single family residential housing and 50% row-housing, it is estimated that

approximately 1,700 placements in elementary, junior high and senior high schools will be required.

The workers themselves will for the most part be channeled through Edmonton, and this means, after the initial recruitment, that there will be demand for rest and recreational services. These services are highly specialized and of a kind that, quite frankly, can cause an urban area significant problems in terms of increased policing, alcohol and drug rehabilitation activities, and so forth. The probable role of the City as a rest and relaxation point is expected to reflect:

- (a) a proportionate rise in the number of violent and liquor-related crimes, i.e. rape, robberies, drunkenness, etc. The Police Department has already experienced this on a small scale in relation to the Fort McMurray area.
- (b) an influx of gamblers and prostitutes who will use Edmonton as a point of departure for the north, and who may become active in the Edmonton area as well.
- (c) a demand for soft drugs because of the relatively youthful age of the majority of the work force. It is anticipated that Edmonton will become a focal point for the distribution of drugs.

17. The effect of the development of the Mackenzie Valley line will be very dependent on the actual timing of that construction in relation to the other economic activity in the area. For example, if a third oil sands plant is undertaken and that oil sands plant is being developed at the same time as the Mackenzie Valley line, there would be significant additional economic pressures which would

be absent in the event of the pipeline proceeding independently. If the Mackenzie line was superimposed on an already buoyant provincial economy, then of course, the whole economic and employment impact and the impact on population growth would be quite different. The City of Edmonton believes it is essential that major projects such as this one be co-ordinated from a timing point of view so that this hyper-inflated economic conflict can be avoided.

Population Projections for the Edmonton Sub-Region,
1972 - 1981

Year	Low ¹	Medium ²	High ³
1972	527417	531417	535417
1973	540003	548352	556851
1974	552743	565610	578790
1975	565606	583167	601208
1976	578561	600995	624079
1977	591586	619072	647380
1978	604659	637376	671088
1979	617767	655890	695192
1980	630893	674598	719672
1981	644019	693479	744510

¹Low fertility, 5,200 annual migration

²Medium fertility 9,200 annual migration - Recommended projection

³High fertility, 13,200 annual migration

SOURCE: Edmonton, City of, Planning Department,
1974, City of Edmonton and Edmonton
Sub-Region Population Projections.

Employment Projections for the Edmonton Sub-Region,

1970-1981

Industry	Edmonton Sub-Region ^a			Canada ^b
	1970	1981	Average Annual Increase (%)	Average Annual Increase (%)
Primary ¹	6,169	7,482	1.6	-0.3
Manufacturing	20,258	23,644	1.4	0.2
Construction	17,274	25,139	3.5	3.7
Transportation, Warehousing, Communications and other				
Utilities	22,520	35,913	4.3	1.0
Trade	35,540	53,870	3.9	3.0
Finance, Insurance & Real Estate	8,342	11,971	3.4	4.3
Service ²	88,798	132,282	3.6	2.8
Other Classified	6,731	8,978	2.7	
TOTAL EMPLOYMENT	205,632	299,279	3.9%	3.1%

Primary employment includes agriculture, forestry, fishing and trapping, and mines, quarries, and oil wells.

Service employment includes community, business, and personal services, public administration, and defense.

- SOURCES: (a) Edmonton, City of, Planning Department, 1973, Industrial Land in Edmonton: Prospects for the Future.
- (b) Economic Council of Canada, 1972, The Economy to 1980: Staff Papers.

Prepared by: Research and Long Range Planning Branch
City Planning Department
April, 1976

May 17, 1976

REPORT TO THE BERGER COMMISSION
ON THE CONCEPT OF THE
MACKENZIE VALLEY GAS PIPELINE

ENVIRONMENT

There are many studies and volumes of resource material available to the commission in support of the necessary precautions needed in a construction project of this magnitude.

The regulations laid down, by the Conservation Authority, are quite explicit, and it is the Edmonton Chamber of Commerce opinion that the available regulations be attended to rigidly.

The proposal for the pipeline to be constructed in the winter season and the line buried, is the most acceptable method of construction in the perma-frost area; and summer construction achieved where terrain is not ecologically sensitive.

The energy requirements of the Canadian economy can be served without significant sacrifice of any specific environmental or social concerns. The overall energy requirements of the nation outweigh the temporary environmental inconvenience.

PEOPLE

The Edmonton Chamber of Commerce is on record as supporting an early settlement of the claims of the native people.

The arguments of the native people against any resource development in the North, represents a challenge to Federal Sovereignty.

The assurance of a fair and just settlement of native claims, both social and economic, must be tendered with authority.

The use of native labor, in jobs meeting the level of their competence and skills, should be given top priority, and continued training should be offered, so that these skills and abilities may be upgraded.

The upgrading of the north economy and resource development dare not be left to the native people, and yet a fair and equitable settlement must be administered as soon as possible, in fairness to all Canadians, and respecting those rights of peoples in this area.

Any delay in our Federal Government meeting the challenge made by the native people allows more time for outside of Canada influences to support and inflame this challenge, thus adding fuel to an already inflammable argument.

ECONOMIC EFFECT

The Mackenzie Valley Pipeline is probably the most expensive engineering undertaking of this century and is the most important energy decision of the decade for the Canadian Government.

A major equity holder will be the Canadian people, and particularly Northern and Western Canadians.

In terms of supply and service companies, the increase in employment will be felt from the Arctic Coast to the United States border.

Transportation, it follows, will improve by road, rail, and air services. This area has long been a disappointment and these transportation improvements will be for the use of residents.

The proposal to refrigerate the line would call for systematical inspection and maintenance, which would create extra employment opportunities for trained native people.

The need of the gas supply from this area will certainly be felt by 1980, so that, considering the time involved in construction, we are dangerously close to a decision deadline. The daily escalation of costs is too enormous to comprehend and yet this cannot be assessed against the economical value in terms of employment and industrial growth, not only for the major cities of Alberta, but the small hamlets adjoining the pipeline.

The Edmonton Chamber of Commerce is of the opinion that an alternative method of transport, other than the Mackenzie Valley Gas Pipeline, would be more of a detriment to Northern Canadians as to environmental disruptions.

The nature of pipeline construction is such that it is a mobile force of labor throughout the countryside, and this period of construction would be relatively short in terms of a large stationary labor force.

On completion of the line, the maintenance people, which would be few in number, would hopefully be trained native people.

ECONOMIC EFFECT ON THE EDMONTON AREA

The construction of the Mackenzie Valley Gas Pipeline will draw into the Edmonton area a much needed labor force, of a skilled and semi-skilled nature, not only for construction of the line, but for the needed increase in the support industries and warehousing.

Competent people will be encouraged to relocate even after the gas pipeline contract is completed, and this needed labor force will hopefully be drawn from the high unemployment areas of Canada.

This new supply of gas will add to Edmonton becoming the supply centre of Alberta and the Northwest Territories, and thus attract many secondary manufacturing industries not dependent on the petro-chemical industry; thus cushioning the economic shock to the area when the oil and gas resources have been completely depleted.

The increase in the food and housing industries is quite obvious; the upgrading of all transportation and communication systems will be of permanent use, after construction.

Edmonton's business community's interest is demonstrated by their Northern Development and Focus North conferences hosted each year. This is a conference of business peoples in Edmonton with residents from all areas of the North.

IN SUMMARY

The Edmonton Chamber of Commerce suggests the native land rights and resource rights be brought to a mutual and early conclusion.

In terms of land rights, the lawful expropriation of property is still a Federal Government right, and should be dealt with as it is with any other Canadian citizen where property is needed for the good of the greater number of Canadian citizens.

If settlement is dependent on a share in resources, these monies may only be generated after the sale of such resources. The sale and distribution is contingent on the Mackenzie Valley Pipeline being completed.

Development of the North cannot be halted entirely - rather, the aim must be practical development with a minimum of adverse effects, environmental or social.

The expertise of local residents on matters of location and minimizing environmental damage should be made use of, as this is in the interest of all Canadians.

In view of the already accrued expense, no other method is viable to supply this much needed resource. An alternate method of transport would cause more delay and further expense.

#5

A STATEMENT PRESENTED TO MR. JUSTICE BERGER AT THE COMMISSION HEARINGS IN THE CITY OF EDMONTON AT THE EDMONTON PLAZA, ON MAY 17th AND 18th, 1976.

MR. COMMISSIONER:

This brief is an expression of opinion approved by the Program Committee of the Anglican Diocese of Edmonton, which works in close co-operation with the Program Committee of our National Church.

First, we would like to express appreciation for this process of public hearings. We are impressed by the care taken to hear all parties, and we trust that your findings will provide a sound basis for settlement of the issues. Second, we hope that the Federal Government will take your recommendations with the upmost seriousness.

We begin by endorsing a Resolution of General Synod of the Anglican Church in Canada, which met in Quebec City in June, 1975; the one which is clearly related to the business of this inquiry. It reads as follows -

"This General Synod, through the Primate, request the Federal government, and through the appropriate Diocesan Bishops, request Provincial and Territorial governments to halt planned development until aboriginal claims are settled and to initiate negotiations on the land claims issues without prior conditions and taking seriously these aboriginal claims."

Our concern is to ensure that the reasonable demands of the Dene and Inuit peoples of the North will not be over-ridden by the powerful self-interest of our southern economy. We relate this to basic Christian teaching, so ably expressed by John Sperry, Anglican Bishop of the Arctic, at General Synod. He said -

"We must be like the Good Samaritan, who not only bound up the wounds inflicted by a cruel and heartless society that left a race of people

to die, but who stood clearly beside this man and continued to support him, and helped him morally and with action."

"If we today fail to place ourselves clearly on the side of Native people in Canada, and instead pass by on the other side by refusing to state clearly with words and actions where we stand, then we must return to our homes from this place and hang our heads in shame."

Mr. Commissioner, we do not presume to speak for our native people of the North, but rather speak as advocates - that is, speaking alongside of the voiceless in our society. We are pleased to note that no one has been voiceless in this present inquiry, and we hope that this will set a precedent for future inquiries.

However, having stated our support of the Resolution passed with a considerable majority at the General Synod of the Anglican Church in Canada, we would like to give our reasons for this support and our presumption in appearing before you.

No doubt, Mr. Commissioner, you know that whenever the Church speaks out on issues relating to politics and/or economics we are usually accused of meddling. In fact, quite recently a leading federal government minister, during a news interview, said that it was silly for Church leaders to make statements on political and economic issues. The minister withdrew this comment when the Church leaders presented to the Cabinet the statement - Justice demands Action. The Church is ready to accept such criticism when pursuing what we believe to be true and just. Indeed, if the contrary were true the Church would never have got out of Jerusalem. It would have remained a middle-class club for local mystics!!

However, it is interesting to note that another leading federal government official has commended to the churches, and other organizations, the responsibility of enunciating values in our national life. He said, "Government officials are not expert on what Canadian values and perceptions

of social equity are. That is not the domain of government officials but of citizens themselves expressed by Canadians collectively through their organizations - churches, unions etc." We accept this latter proposition!

It is an historic fact that the Church has been involved with our Native people for over 100 years, for better and for worse, and we accept our share of the responsibility for creating, what we unhappily call the "Native problem". What we did in the past through ignorance and pride we hope to avoid in the future. We do not want to extend the Native Problem; which, in reality, is not a Native Problem, but a White Problem.

Therefore, it is important that the Church face up to contemporary issues, and by careful analysis and understanding raise ethical questions. We do so at this time, not only with regard to our native people's land claims, but also their claim as a people, within the Canadian nation, having prima facie rights. It is self-evident that native people, by comparison to southern Canadians, have less schooling, more unemployment, less money and more alcoholism, less quality homes and more prison residents, and less control over their lives.

As these hearings have proceeded, Mr. Commissioner, Canadians have become increasingly aware of the injustices perpetrated against our native people, and there is an increasing desire by Canadians to seek their redress and to provide the necessary economic and political machinery to allow them to live with dignity, and as responsible citizens of Canada. What we, as Canadians, are demanding at the United Nations for the peoples of the 3rd World, we must give to the Inuit and Dene people without hesitation. And, furthermore, if we fail to respond, and continue on our present course with little regard for native peoples and their environment, the so called "native problem" will greatly increase, especially in our major urban centres, where the difference in their life-styles stands as a judgement for past action. "He who sows the wind reaps the whirl-wind".

Increasingly, we are beginning to realize that the world, the universe, is not neutral. It bites back! And it is time to take this into consideration and not in a minimal way. In other words, we must seriously take into consideration the environmental impact of our resource development, especially in the North. This can be done in two ways - first, by providing greater resources for environmental studies; and, second, by demonstrating respect for the findings of the research. We are aware of the 3½ million grant to the Environment Protection Board, and of other monies spent in similar studies. This, from our point of reference, is a large amount of money. But what is it in comparison to exploration costs! The consideration of the research findings is the major consideration.

In pressing for a moratorium on Northern development, we quote from the brief presented to the Federal cabinet by the leaders of our Churches - Justice demands Action. It reads as follows -

"The Canadian North has become centre stage in the struggle to gain control of new sources of energy and minerals on this continent. Corporations and governments continue to plan the construction of power plants, pipelines, railways, highways, and mining projects without the direct participation of native peoples in the North, and before a just settlement has been reached on their land claims. For a people whose land is their life, and who wish to gain control over their future economic development, a just settlement of their land claims lies at the very heart of their struggle for justice."

The Indian Brotherhood of the North West Territories puts it this way - "A land settlement is unique opportunity to bring the Indian people into the economic, social, and political mosaic of Canada in a way that would be a source of pride to all Canadians."

The Inuit Tapirisat of Canada, representing the Eskimo of the North West Territories, say that "What the Inuit want is not really much different from what most Canadians already take for granted.... The Inuit are not separatists.

They are Canadians. But they don't want to be colonial subjects. They want to be partners in Confederation."

Mr. Commissioner, we are persuaded that our native peoples of the north do not want to stop development; they want to have some say in the way in which it is developed. They are aware of the benefits which accrue from it. What they want above all is self-sufficiency - socially, culturally and economically. The alternative to that is continued colonial rule at ever increasing cost both to native people and other Canadians. Therefore, if we cannot respond to a sense of moral justice, perhaps we may respond to the lesser moral demand of enlightened self interest!!

Furthermore, it is in interests of all Canadians that serious consideration be given to the warnings sounded by experts in different disciplines. Economist K. Galbraith says that our present method of underwriting technology is exceeding dangerous. It ^{could ~~mean~~} cost us our existence. Dr. C. Birch (scientist) in addressing the 5th Assembly of the World Council of Churches said - "We do not know how much pollution the earth can stand before essential ecological cycles are broken. We do know that global pollution is doubling every 14 years, and that there is a limit to the pollution absorptive capacity of the earth. What is the pollution absorptive capacity of the North?"

In conclusion, Mr. Commissioner, we wish to go on record as supporting the process of public hearings. It is not only a significant educational instrument but also an expression of our democratic heritage. We trust that Government will continue to use this process to deal with other national and regional issues.

Mr. Commissioner, we hope that out of your deliberations a viable and ethical solution to our native peoples' claims and the future development of northern resources will emerge.

Respectfully submitted,

Fletcher J. Stewart
Anglican University Chaplain
Member of Diocesan Program Committee

Thomas L. Leadbeater
Chairman, Diocesan Program Committee
Member of National Executive Council of
Anglican Church of Canada.



APEGGA SUBMISSION TO THE BERGER COMMISSION MACKENZIE VALLEY PIPELINE INQUIRY

The Association of Professional Engineers, Geologists and Geophysicists of Alberta is a private professional organization appointed by the Government of the Province of Alberta to administer the Engineering and Related Professions Act. The Association is more commonly referred to by its short title - "APEGGA". APEGGA has a total membership of approximately 11,000, made up of 8,300 professional engineers; 1,120 professional geologists; 240 professional geophysicists; 1,200 members-in-training; 520 licensees. The major disciplines of our members are civil, electrical, mechanical, chemical, petroleum, mining, geology and geophysics. Approximately 20% of APEGGA members are in private practice and 80% occupy salaried positions. Areas of work are very diversified and include light and heavy industry, general business, consulting, petroleum, agriculture, government, education, utilities, construction, law, manufacturing, medical research - and so on.

APEGGA has historically held a high priority interest in development of Northern Canada - particularly the Yukon and Western districts of the Northwest Territories. For many years our members have provided engineering services to Northern communities and we therefore consider

that we have a legitimate special interest and expertise in Northern development. Engineers, Geologists and Geophysicists are certainly no strangers to the North. Our members have been kept informed of the Berger Inquiry by the printing of periodic summaries in our publications, dating as far back as 1972 and as illustrated by the attached reprints. It is therefore in keeping with this past involvement that APEGGA wishes to assist the Commission by adding the thoughts and suggestions of our members to this Inquiry.

The need for continued - and even expanded - development of energy sources has been proclaimed by APEGGA for several years. We are extremely concerned, both as technical people and as private citizens, about the steadily advancing energy crisis. This concern has been expressed repeatedly to all levels of government. Two letters expressing our concern were directed to Prime Minister Pierre Elliott Trudeau - one in 1974 - another in 1975 - where the Association stated "serious reduction in exploration and production activities in the petroleum and mining industries will impact on all Canadians. Statistics indicate that even with accelerated developments of our energy resources we may be facing a severe shortage in Canada by mid 1980". Today we would conclude that statement with "or sooner".

Whereas we remind ourselves that this Inquiry at this time is dealing with impact on the North, and that questions relating to gas supply, Canadian gas requirements and gas export are matters for the National Energy Board to consider, we would be seriously remiss if we did not state our very strong belief that an economic crisis of considerable proportion

will develop due to an energy shortfall and that the impact of this crisis will be felt throughout Canada - and by all Canadians. There will be no exceptions from the damaging effects of this crisis but only degrees of impact which will escalate in damaging effect in the less populated and Northern areas. One need only to ponder briefly the resulting cost in Northern travel alone to realize the magnitude of the set back in progressive development of Northern communities.

One must constantly remain aware of the time factor associated with this crisis. Many Canadians are of the mistaken belief that solutions to the energy crisis can be quickly achieved. This is not so. After allowing for the many years required for design, the time required for supply of materials after orders have been placed - and accepted - is measured, not in months, but in years. Five year delivery schedules will not be uncommon. Even the most optimistic schedule already involves development requirements of ten or more years. Time is not in our favor in the solution of this crisis.

APEGGA's position is therefore in favor of an early granting of a permit to ensure the timely development of the Mackenzie Valley Pipeline and subsequent transportation corridor.

APEGGA believes that it is not desirable - nor even possible - to divorce the social, environmental, and economic problems in one part of Canada from the remaining parts. It is also not practicable to consider a Mackenzie pipeline development - with its immeasurable impact on all segments

of Canadian life - without due consideration to the total effect. The Association brief will therefore be directed to the impact and benefits of the proposed project to the entire Canadian community.

Our Association wishes to acknowledge your Commission's noteworthy efforts to involve all Canadians in this important decision.

The APEGGA submission will be short, intended to supply information in areas where our members possess expertise and opinions.

Communication

We believe that the most advantageous effect of the project to the Northern community will be increased communication. It is recognized that without proper and adequate communication, progress occurs in name only and timely, social, environmental, and economic development will not occur. History relates that all major developments throughout the ages have been preceded by positive development in communications. Beneficial developments to the Northern community will not differ from recorded history.

Transportation

The advent of the energy corridor will automatically necessitate increased modern modes of transportation - in all forms - river, road, air and rail.

Social and economic development of Western Canada over the past 100 years can be cited as an example of progressive development which has been measured by the steady and timely advancement of its transportation systems. Such systems are vital to orderly development but are also dependent on an economic catalyst such as the pipeline construction. In the case of Northern development, improved transportation systems are necessary for steadily increasing standards of living and improving career expectations. These will be achieved providing development is progressive and at a steady pace.

Canadian Input

Canadian input into Canadian development is the desire of all Canadians but this will only occur providing Canadian projects - such as the Mackenzie Valley Pipeline - are developed in a timely and orderly fashion. Such development should, and must, be utilized to develop Canadian talents - from all sectors. Development of these talents will have international impact as well. For example, as a direct result of skills developed by Canadians in Northern drilling, the Canadian Drilling and Research Association was able to trade Canadian expertise in this area for USSR expertise in the use of turbo drills.

A further example is the advancement of Canadian geotechnical engineering as a direct result of research already generated by the Mackenzie

pipeline project studies. Significant advances, recognized internationally, have been made by Canadians in the first method developed to predict the rate and amount of frost heave, analysis of slope stability and soil creep and general river engineering. Also Canadian expertise in the design, specifications and winter construction of large diameter pipelines is internationally recognized.

Development of such expertise puts Canada in an advantageous trading position to obtain knowledge in other areas, many dealing with the Northern living environment.

It must also be recognized that development of Canadian talent will be needed in future years when additional energy demands will necessitate development of Arctic Island reserves and construction of the Polar Gas pipeline down the shoreline of Hudson's Bay.

Native Northerners

It is our belief that the construction of a pipeline will have desirable social and economic benefits to native northerners. We acknowledge that life styles will change in areas of oil and gas development but submit that those life styles started to change many years ago - and will continue to change whether or not a pipeline is built. We feel that emphasis must be on the social events and that the northerner must be allowed to develop his society together with the technical society. This will include the continued development of distinctive northern life styles and preservation of the cultural heritage.

Gradual changes in life styles - proper solutions to environmental problems (known and yet to be detected) - and economic stability - can be achieved by early commencement of the pipeline rather than awaiting the hasty and sometime faulty decisions triggered by crisis conditions.

Whereas APEGGA members do not claim special expertise in matters involving social changes and life styles, we do feel a great concern regarding the past and future life styles of the native northerners. Of particular concern is the possibility of creating an economic "bubble" with the resulting catastrophe to northern life styles should the bubble break. Projects that are created in haste (such as those due to an energy crisis) are liable to create this "bubble effect" and APEGGA feels very strongly that early approval of this project will greatly assist in orderly development and lessen the danger of sudden adverse change to native life styles.

Summary

In summation, APEGGA feels strongly that an early approval of the Mackenzie Valley Pipeline project will avoid crisis planning and will permit the achievement of a balanced solution to problems involving native rights - environmental protection - economic stability - and a controlled reduction in the impact of the energy crisis - for the benefit of all Canadians.

We must re-emphasize that, whether we as Canadians wish it or not, the immense demand for energy will increase and become virtually

an irresistible force. An energy shortfall will affect the standard of living of all Canadians - and the North will not be exempt. Our only solution is to come to grips with this national problem now - by beginning the very extensive planning process necessary, so that we will have some chance of being ready when the full effect of the crisis is finally felt.

We agree with the Berger Commission's earlier ruling "that the native interest that may ultimately be recognized by any settlement not be diminished by the construction of the pipeline in the meantime". However, we strongly and sincerely urge that planning and construction of the Maxkenzie Valley Pipeline begin as soon as possible so that orderly and controlled development will result - in the interest of all Canadians.

May 17, 1976.



THE MINI PEGG

Vol. 3 No. 12 October, 1974

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MACKENZIE VALLEY PIPELINE INQUIRY

EDITOR'S NOTE:

Recently the Association office received a considerable amount of material concerning the "Mackenzie Valley Pipeline Inquiry" being conducted by the Hon. Mr. Justice T.R. Berger. The Editorial Committee felt that this matter is of some interest to Association members, however as the original material was too extensive for publication, committee member Ralph A. Estelle, P.Geol. was requested to summarize this information for the MINI PEGG.

Canadian Arctic Gas Study Limited has applied to the Minister of Indian Affairs and Northern Development for a right of way across Crown land in the Yukon and Northwest Territories on which to build a pipeline up the Mackenzie Valley to carry natural gas from Prudhoe Bay in Alaska and from the Mackenzie Delta in the Northwest Territories to markets in Canada and the United States. Canadian Arctic Gas has also made an application to the National Energy Board for a Certificate of Convenience and Necessity to transport the gas.

On March 21, 1974, the Honourable Mr. Justice T.R. Berger was appointed by the Federal Government to conduct an inquiry, on behalf of the Department of Indian Affairs and Northern Development, into the social, environmental and economic impact of the proposed pipeline on the Yukon and Northwest Territories and to report on the terms and conditions that ought to be imposed in respect to any right of way that might be granted to Arctic Gas.

Mr. Justice Berger held preliminary hearings in Yellowknife, Inuvik, Whitehorse and Ottawa in April and May to determine how the inquiry should be conducted and the main points to be covered. As a result of these hearings, he has laid down the following general rules in a paper titled Preliminary Rulings dated July 12, 1974:

1. The inquiry must be fair and thorough, and all individuals and organizations with an interest in the Arctic Gas proposal must be given a fair opportunity to be heard, either by a written or verbal submission to the Inquiry.
2. The land claims of the native people will be heard.
3. An Inquiry Assessment Group will be formed

which will study the material submitted by Arctic Gas and Federal Government agencies and call for additional information if such is required.

4. The inquiry will consider not only the impact of the construction of the gas pipeline but also the concept of the development of a Mackenzie Valley transportation corridor containing the Mackenzie Highways, oil pipelines, railroad, power and telecommunication facilities.

5. The inquiry will not deal exclusively with the Arctic Gas proposal but with the general concept of a gas pipeline within the Mackenzie Valley transportation corridor, and with possible alternate routes of a pipeline.

6. The location and extent of the gas fields in the Delta and further plans for exploration of the Delta and Beaufort Sea. The location and design of the field gathering system and gas plants. The location and possible future expansion of compressor stations along the proposed pipeline as well as possible looping of the pipeline.

7. Any witness called before the inquiry will be subject to cross-examination.

The formal hearings will start with an overview of the route of the pipeline. Commission Council through witnesses, will present evidence on such matters as the history, culture and economics of the northern people, the geography and geology of the route, the climate and geotechnical aspects of northern construction, terrain types and resources.

Arctic Gas will then be called upon to supply their formal evidence and will have to have available the personnel who did the actual field work so that they might be cross-examined by the Commission Council. In addition, the Commission Council will call the Inquiry Assessment Group to present their analysis of the material filed by Arctic Gas.

The formal hearings will be adjourned from time to time to allow for informal hearings in the communities along the proposed route. The native people will be given time to examine the evidence presented at the formal hearings so that they can comment on this evidence and present their views as to the impact of the proposed pipeline at these community hearings.



THE MINI PEGG

Vol. 4 No. 2 January, 1975

Published by the Association of Professional Engineers, Geologists and Geophysicists of Alberta at 215 One Thornton Court, Edmonton, Alberta.

Pipeline Inquiry

EDITOR'S NOTE:

This is the second in a series of condensed articles on the "Mackenzie Valley Pipeline Inquiry" written by Ralph A. Estelle, P. Geol., for the benefit of Association members.

Preliminary Rulings (II)

Honourable Mr. Justice T.R. Berger

Mr. Justice Berger held further preliminary hearings on the Arctic Gas Pipeline right of way application on September 12th and 13th in Yellowknife. The following Rulings governing the Formal Hearings are designed "to bring about full disclosure of all evidence, and to give to all concerned the fullest opportunity to present their case."

Any person shall be deemed a participant in the hearings if he appears or advises the Inquiry he wishes to appear at any Preliminary or Formal Hearing.

The rules will apply only to the following participants:

Canadian Arctic Gas Pipeline Limited
Foothills Pipe Lines Ltd.
Canadian Arctic Resource Committee
Environment Protection Board
Indian Brotherhood of the Northwest Territories
Metis Association of the Northwest Territories
Inuit Taparissat of Canada
Committee of Original Peoples
Yukon Native Brotherhood
Northwest Territories Association of Municipalities
Commission Council

These rules will not apply to any other participants or to any participant at the Community Hearings.

Witnesses called to the Overview Hearings, to be held prior to the Formal Hearings, will not be cross-examined unless it is essential to a fair hearing, but will be subject to recall at the Formal Hearings.

The date for the commencement of the Formal Hearings will be set as soon as the Inquiry has received the report of the Assessment Group on the material filed by Arctic Gas.

The formal Hearings will be divided into four phases:

1. Engineering & Construction
2. The Impact of a Pipeline and Mackenzie Corridor Development on the Physical Environment
3. The Impact of a Pipeline and Mackenzie Corridor Development on the Living Environment i.e.: plant, animal & fish

At the Formal Hearings, each participant will present its evidence first, followed by other participants and Commission Council. Council for any participant calling a witness will examine the witness first. The witness will then be cross-examined by Council for each of the other participants and by Commission Council if so desired. Then Council for the participant will be entitled to re-examine and call evidence in rebuttal.

Commission Council will call for the evidence of the members of the Assessment Group and members of the Public Service of Canada. These witnesses will be subject to cross-examination.

The Commission Council will be responsible for obtaining evidence, by subpoena if necessary, on the location and extent of oil and gas fields in the Mackenzie Delta and Beaufort Sea, future plans for exploration, and the design and construction of gathering lines, gas plants and related facilities.

Location of hearings

The main centre for the Formal Hearings will be in Yellowknife. Hearings relating to oil and gas development will be heard in Inuvik. Hearings will also be held in Southern Canada to enable Canadians who cannot appear in the north to express their views.

Community Hearings will be held in each community likely to be affected by the construction of the pipeline. Professor Michael Jackson of the Inquiry staff has been appointed co-ordinator of the Community Hearings. He will hear proposals from native groups and the Northwest Territories Association of Municipalities as to how these hearings should be conducted, and report on this matter to Mr. Justice Berger.

The C.B.C. will make regular broadcasts summarizing the evidence given at the Formal Hearings to the Northern Communities in English and the native languages.

Native claims

Native claims are based on traditional and current use and occupation. Evidence relating to current use and occupation will include location of traplines, fishing camps, hunting grounds, berry picking areas and so on. Evidence should be presented regarding likely interference of these facilities by the construction of the pipeline. This will give Arctic Gas an opportunity to present their evidence as to the measures they are prepared to undertake to ensure that the construction of the pipeline will not impair the native people's current use of the land.

The native organizations assert that no pipeline should be built until the native land claims have been settled with the Federal Government. The Inquiry will hear evidence of the native land claims so that it can advise the Minister of Indian Affairs and Northern Development what measures ought to be taken to ensure that the na-

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A Submission to the Mackenzie Valley Pipeline Inquiry
or the Berger Commission

by the Programme and Planning Committee of the Diocese
of Athabasca of the Anglican Church of Canada.

We address the commission on the basis of our concern for the development of Canadian Society. In the past we experienced the Red River Rebellion or Insurrection in 1869-70 and the Riel Rebellion in Saskatchewan in 1884-85. At the heart of these incidents was the question of native rights and land claims. Largely as a result of these confrontations, the native and metis people are left alienated from the main stream of Canadian society and this has contributed to the identity crisis that they are experiencing today. Are we preparing the way for another Duck Lake? The possibility of another Wounded Knee is always before us. Only good sense saved the problem in the park at Kenora, Ontario from being more ugly than it was.

Unless the native and metis people of the North West Territories and Northern Alberta feel that justice has been done and that their dignity and integrity have been preserved, we are going to face social unrest for years to come. If the attitudes of hate and bitterness are allowed to fester, future generations of Canadians are going to feel the impact of our decisions today. The kind of disruptive force that is alluded to can be compared to the long hot summers of the 1960's in the United States of America when the attitude was "burn, burn, burn". Could Yellowknife or Edmonton or Calgary be affected by

such social unrest as destroyed Watts? That kind of possibility cannot be ruled out.

We draw the Commission's attention to the second commandment of the Decalogue of our Judeo-Christian heritage. The wisdom of this commandment holds before us the situation that we have discussed; the sins of the fathers will be visited upon the children if all we can think about is economic gain.

In view of these and other reasons publicized in the Canadian Churchman of the Anglican Church of Canada, we of the Anglican Diocese of Athabasca in Northern Alberta urge the government of Canada to inhibit all further activities toward exploration and extraction of minerals and gas throughout the Mackenzie Valley corridor until the basic question of land claims, native participation in decisions and profits, and the possible ecological consequences of development have been settled to the satisfaction of all directly concerned.

This brief was prepared under the direction of the Rt. Rev. F.W.H.Crabb, Bishop of Athabasca.

SUBMISSION
BY
SLAVE LAKE DEVELOPMENTS LTD.
TO THE
MACKENZIE VALLEY PIPELINE INQUIRY
AT
EDMONTON
May 17 - 18, 1976

Presented by:

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Introduction

This brief pertains to the potential social and economic impact of a Mackenzie Valley Pipeline on the people and communities of the North.

It is presented on behalf of Slave Lake Developments Ltd., a public company which has had some direct experience with the social and economic impact of petroleum resource development in northern Alberta.

Basic Premise and Intent of Presentation

This presentation rests on the premise that the socio-economic impact of any Mackenzie Valley Pipeline project will be enhanced, if mechanisms can be created to better enable the petroleum industry and northern residents to work together to their mutual advantage.

If the Inquiry accepts the validity of this premise, then you will undoubtedly be interested in receiving information on attempts made in other parts of the country to create mechanisms for cooperative action by similar interests.

The intent of this brief is to acquaint the Inquiry with one such mechanism - in particular, a joint venture in socio-economic development involving the petroleum industry, native people, and a local community in northern Alberta.

The Lesser Slave Lake Region of Alberta

The region of Alberta to which I would direct your attention, is the Lesser Slave Lake Region, approximately 150 miles north of Edmonton (see attached map).

The petroleum resources of this region are to be found primarily in the Utikuma Lake, Nipisi, and Mitsue oil fields, and the Marten Hills gas fields. Extensive development of these resources began in the mid-1960's. There are now a number of major gas plants in the area, and the region is traversed by several oil and gas pipelines.

The eastern portion of the region (depending where one draws the boundaries) is inhabited by some 9,000 people, the largest town being the Town of Slave Lake. The region includes a Metis

Colony and a number of Indian Reserves, including the Sawridge Indian Reserve adjacent to the Town of Slave Lake.

In the mid-1960's, a provincial government study of the region revealed a classic underdevelopment situation. On the one hand, the resource profiles showed this region to be amply endowed with natural resources (in particular, oil and gas, forest products, water, and beautiful scenery). On the other hand, on the socio-economic scale, inhabitants of the region suffered from high unemployment, low income per family, inadequate social services, and limited opportunities to either enjoy, or participate in the development of, the natural wealth of their region.

As the petroleum industry was expanding its development efforts, a major regional development program was launched by the provincial and federal governments to help improve local social and economic conditions. Even more importantly, a number of the local people launched some new initiatives of their own, including the formation of a public company called Slave Lake Developments Ltd. (SLD).

Slave Lake Developments Ltd. (SLD)

The initiative to form SLD in 1969 came from local people. Its motto was "People, Private Enterprise and Governments Working Together", and it had two objectives:

1. To accomplish social and economic development in the Slave Lake region by the exercise of local enterprise and initiative.
2. To earn a fair and reasonable return for its shareholders, the majority of whom were to reside in the Slave Lake region.

Once formed, the company sought guidance as to its future course of action from a variety of individuals and organizations.

On the recommendation of an Edmonton consulting firm, an associate company was established and named Slave Lake Developments Associates (SLDA). This was a private company with the same objectives as the local company. It was to serve as a vehicle through which financial and management help was made available by the petroleum industry and others to the local company.

A project was decided upon by the local company (SLD). This project had to satisfy two criteria, namely, (1) It had to meet a social need in the community. (2) It had to be economically viable from a private enterprise standpoint. SLD decided upon a rental housing project, designed to provide rental accommodation for 10 - 15% of the

population of the Town of Slave Lake during a period of rapid expansion.

A joint venture agreement was worked out between SLD and SLDA with respect to the project. Each put up some money, with SLD raising its portion through a localized public share offering.

After surveying community housing needs, the local company developed the original project plan. SLDA provided some managerial expertise and used its influence to enable SLD to obtain mortgage financing. SLD was given an option to buy out the interests of SLDA, when SLD became strong enough to do so.

The rental housing project was successfully completed and became profitable shortly thereafter. The participating oil companies were only required to put up \$50,000 in cash, which was paid back with a 6% return by the local company when it exercised its option to buy out SLDA's interest four years later. Approximately \$30 - 40,000 worth of management services were invested in the joint venture by an Edmonton consulting firm over this four year period. The housing project is now wholly owned and operated by SLD.

In 1972, the local company was able to undertake, on its own initiative, another project which further improved its financial position and its capability to undertake future projects.

Of the company's 125,000 outstanding shares, 80% are held by people resident in the Slave Lake region. The largest single shareholder in the company is the Sawridge Indian Band, which successfully completed a major project of its own during the same period.

In 1975, Slave Lake Developments Ltd. earned 17.9¢ per share and paid its first dividend of 8¢ per share. These earnings were realized on shares originally purchased at a price of \$1.00 - \$1.50 per share.

The company is presently considering the feasibility of undertaking another project.

Concluding Remarks

The mechanism which I have described involves three organizational components: (1) A community development company in which a native band is the largest single shareholder, (2) An associate development company supported by the petroleum industry and other interested parties, and (3) A joint venture agreement, of limited duration and modest financial dimensions, specifying the relationship between (1) and (2). The key ingredient, however, has not been organization but people - individuals in the local community and in the petroleum industry who have demonstrated both a willingness and a capability to work together to their mutual advantage.

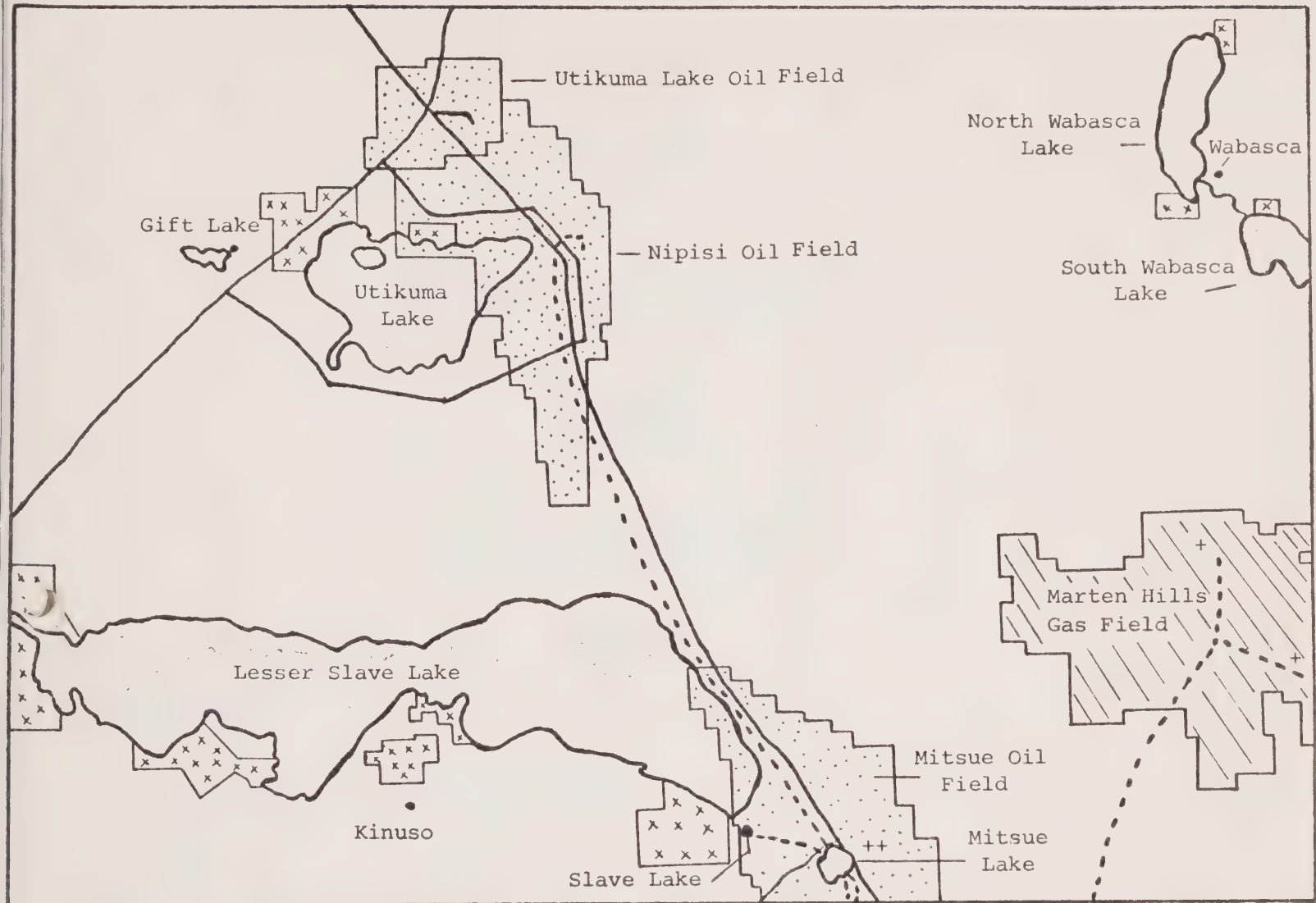
In presenting this brief description, we are of course aware that there are major differences between Northern Alberta and the Mackenzie Valley. Moreover, just as Great Slave Lake is much larger and different in shape than Lesser Slave Lake, so the magnitude and nature of the issues and circumstances involved in the case of the Mackenzie Valley are greater and different than those involved in the development of the petroleum resources of the region to which I have referred.

Nevertheless, we are hopeful that our experiences in attempting to reconcile industry, native, and community interests in one small part of northern Alberta, may be relevant to the concerns of this Inquiry, in the same sense that a pilot project in industry or government is relevant to the development of full-scale plants or programs later on.

The most relevant portion of our experience may not be the successes, but rather the mistakes which were made in the initial years and which others attempting similar ventures need not repeat. This experience, the frustrations as well as the achievements, is all documented in the Minute Book and files of Slave Lake Developments Ltd.

We would be pleased to make available to this Inquiry, or other interested parties, any information on this experience which may be conducive to maximizing the social and economic benefits of any Mackenzie Valley Pipeline for the people and communities of the north, and enabling them to utilize petroleum resource development as a means of pursuing their own aspirations and objectives.

LESSER SLAVE LAKE REGION



- + Gas Plants
- Oil Lines
- Gas Lines
- x Indian Reserves

BRIEF TO THE

MACKENZIE VALLEY PIPELINE INQUIRY

COMMISSIONER

MR. JUSTICE THOMAS R. BERGER

MAY, 1976

Presented By:

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President
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AND

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INFORMATION DISCLOSURE IN THIS PROVINCE IS APPALLING

S.T.O.P. has been working on this file for over one full year (since April, 1975). To this date Government and Company officials have ignored eighteen (18) separate requests for documents and information.

If discrepancies with the truth occur, appropriate authorities should look up the Latin definition for the term "Mea Culpa".

S.T.O.P. thanks those who have contributed to this brief or reviewed the House River File

Mr. Georges Arès	B.A., L.L.B.
Mr. Ron Aubin	Engineer (N.A.I.T.)
Mr. Claudio Chiste	3rd Year Law Student
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INTRODUCTION

S.T.O.P. is a citizen's environmental lobby for Alberta dedicated to achieving environmental balance through responsive legislation and its enforcement. We are presently working on the development of an Environmental Bill of Rights for all Canadians.

A.I.M., The American Indian Movement, in Edmonton is dedicated to solving social, political and economic problems of native groups that require such assistance. A.I.M. is a non-profit organization.

Together, S.T.O.P. and A.I.M. will show that the development of the Mackenzie Valley as a pipeline corridor is madness at this point in Canada's history. Too many questions have been left unanswered by Government and Industry. The Columbia River Treaty, the Churchill River Project, the James Bay Project and a little closer to home--the Tar Sands Development--have all been offered to Canadians as the answer to all our problems. Canadians are starting to realize that massive projects designed to produce huge amounts of exportable energy bring with them a way of life that we are neither prepared for nor want. The question, "Do we need the resources now?" is being asked (1)

The Terms of Reference of this Inquiry include both a gas and oil pipeline.(2) (3) S.T.O.P. and A.I.M. will show, through an actual incident, that the problem--one problem among hundreds--of oil spills on ice in winter has not been solved, even in Alberta--the land of winter spills.

First some background: 1970 -- G.C.O.S. spilled oil into the Athabaska River because of a pipeline break. The 1970 Athabaska Oil Spill Report, prepared after a public inquiry, included five recommendations which the company involved--Great Canadian Oil Sands Limited--should have implemented in an attempt to reduce the possibility of future pollution incidents. Only one of the original five recommendations has been carried out. Perhaps we would not have to tell our story today, if G.C.O.S. had been forced by law to implement the 1970 recommendations.

Now to the present: 1974, winter, December 26,...80 miles south of Fort McMurray, 11,900 barrels of synthetic crude oil spilled onto the frozen House River. The break occurred on terrain that had been disturbed by road building operations ... in the cold, dead of winter.

Why should a small spill on the House River interest this Inquiry? The Mackenzie Valley Pipelines (4) (5) (6) (7) (8) will be 2,600 miles long (9) will cross 300 streams and rivers (10) "will pass through all the major climatic, vegetational, and wildlife zones of Northwestern Canada and parallel the two greatest river systems of the continent--the Yukon and the Mackenzie." *

In 1969 there was 8,300 miles of oil pipeline in Alberta. There are, on the average, about 200 oil spills each year. That's approximately four per week. We are not suggesting that there will be oil pipeline breaks in the same ratio in the North, but since the proposed pipelines will cross over 300 rivers and streams, and such crossings are weak links, there is a strong possibility that before too long, there will be pipeline breaks.

* The Toronto Star, September 27, 1972

HERE'S WHERE THE CONFUSION BEGINS

On December 26, 1974, Great Canadian Oil Sand's 16-inch pipeline broke for the second time in its history--this time at the House River crossing, about 101 miles south of the G.C.O.S. plant near Fort McMurray. The rupture was detected at 6:56 a.m. The company's low suction pressure alarm was activated and the G.C.O.S. personnel were, supposedly, advised immediately. Four hours later, the oil leak was finally spotted at the House River by a G.C.O.S. air patrol.

The Provincial Government was then--and only then--advised of the House River pipeline break.

Meanwhile, despite the fact that already six hours have elapsed and they're still not on the site, back at the plant, G.C.O.S. brags about getting its "clean-up" programme "well underway".

A full nine hours went by after the alarm before G.C.O.S. was able to shut off appropriate valves on each side of the House River. At least 21 miles of oil-filled pipe continued to leak through the rupture because of the topographic decline toward each bank of the River. A total of 11,900 barrels finally spilt onto the river ice.

Finally, they get there...and then all hell breaks loose. Nobody really seems to know what's going on. Within a short time a number of Government officials arrive at the scene: Environment Canada, Energy Resources Conservation Board, Alberta Environment, Department of Lands and Forests (now the Department of Energy and Natural Resources) and Great Canadian Oil Sands and their janitor service, Catalytic Enterprises, Ltd.

Within a short period of time "someone" decides that the best way to clean up the spill was to set fire to it all. In their Interim Report to the E.R.C.B., G.C.O.S. says:

"Burning of the oil directly on top of the water and/or ice was **the** major clean-up method used both downstream and upstream of the decant dam."

Under the Oil and Gas Conservation Act, The Energy Resources Conservation Board (E.R.C.B.) has prime responsibility to direct Oil Spill Clean-up operations in Alberta.

Section 133.1 (1) of the Act says: "Where oil escapes from a pipeline ... the Board may: direct the ... pipeline operator ... to take steps it considers necessary to contain and clean up oil which has escaped ..."

It appears that this role is clearly understood by other Government agencies. The Alberta Department of Environment says:

"The prime responsibility for oil spills in the Province of Alberta lies with the Energy Resources Conservation Board."

The Department of Energy and Natural Resources says:

"For spills of crude oil or Synthetic crude which occur in the Province of Alberta, the Government agency which takes the leading role is the Energy Resources Conservation Board."

And finally on April 26, 1976, the E.R.C.B. wrote and confirmed the following:

"... the Board (E.R.C.B.) is the prime Government agency responsible for oil spill containment and clean up."

It appears to be very clear in everybody's mind who is supposed to be in command: The Energy Resources Conservation Board.

WHO GAVE THE ORDERS?

Great Canadian Oil Sands could not commence burning of the Oil without prior authorization. S.T.O.P. wrote to G.C.O.S. and asked who gave them permission to commence the burning. G.C.O.S. did not reply.

On April 6, 1976, S.T.O.P. wrote to the E.R.C.B. to ask if they had issued an approval. They responded and said:

"This responsibility is jointly shared with other Government Departments such as Alberta Environment and Alberta Energy and Natural Resources."

With this cautious note, they added:

"...It was mutually agreed by representatives of the Energy Resources Conservation Board, Alberta Energy and Natural Resources and Great Canadian Oil Sands that the only logical alternative was to remove the oil by burning it."

This did not answer our question, so S.T.O.P. wrote back and asked:

"Who actually gave G.C.O.S. the go ahead to burn the spilt oil? Was it the E.R.C.B.?"

To this date, the E.R.C.B. has still not answered our letter.

On April 19, 1976, S.T.O.P. then wrote to Environment Canada for copies of summary reports about the House River filed in Ottawa. On April 23, 1976, four Federal Government Summary reports on the matter were mailed to S.T.O.P. The first report says:

"Approval for the burn was given by Alberta Department of Lands and Forests."

The second report prepared by a different Federal civil servant confirmed this view and said:

"Approval for burn given by Alberta Department of Lands and Forests."

(N.B. Alberta Department of Lands and Forests has since been changed to the Department of Energy and Natural Resources.)

It appears then that the E.R.C.B. did not issue G.C.O.S. an approval to burn. The Department of Lands and Forests had actually taken over the job.

WAS THE APPROVAL FROM ALBERTA LANDS AND FORESTS VALID?

Burning oil on ice is dangerous. To quote Alberta Civil Servants from a report about another G.C.O.S. pipeline break in 1970:

"Burning on surface water, lakes and streams is severely hampered by the lack of overall control and of the possibility of forest fires."

The only statute in existence that would allow G.C.O.S. to destroy forest growth is the Alberta Forest Act. It says at Section 9:

"Except as authorized by the Minister, no person shall cut, damage, or destroy any forest growth on forest lands."

Since this power is conferred to the Minister only, a "written" authorization from him is required before forest growth is destroyed. Section 7 (1) of the Forest Act says:

"The Minister may in writing delegate to any employee of the Department ... or to any ex-officio forest officer any power, duty or function conferred upon the Minister by this Act."

On January 19, 1976 S.T.O.P. wrote to the Minister of Energy and Natural Resources who now administers the Alberta Forest Act and asked if written approval was given to anyone in the Department to allow G.C.O.S. to burn the oil. On February 24, Minister Don Getty, who said that G.C.O.S. had consulted his staff, confirmed the following:

"...under the strictest interpretation of Section 9 of the Forest Act, 1971, the Minister of Energy and Natural Resources did not authorize G.C.O.S. to destroy timber in the process of cleaning up their spill."

This now points to an important legal question. The then Department of Lands and Forests issued G.C.O.S. an approval to burn when they themselves were not authorized to do so. This means that G.C.O.S. went ahead with the burning operation without proper authorization.

RECOMMENDATION TO THE BERGER INQUIRY

Decisions about the actual construction of the Mackenzie Valley Pipelines will rest with three Federal Government Departments (11), and will be governed by five acts--the Territorial Lands Act, The Northern Inland Waters Act, the Federal Fisheries Act, the Canada Water Act and the Migratory Birds Convention Act. Even with the protection of the above Federal statutes, we are faced with "Government by Regulation" in the North. Before a project such as this is even considered, jurisdictional disputes must be settled and there must be one central body that will oversee all building, operation, and clean-up if and when accidents occur.

HERE'S WHERE THE CONFUSION CONTINUES

Since April of 1975, S.T.O.P. has attempted to thoroughly investigate the House River Spill. This action began when two citizens, who had witnessed the clean-up operations, brought the matter to our attention following unsuccessful requests for action from five different Provincial authorities.

The first witness, Mr. Larry Marchuk, was an employee of Catalytic Enterprises-- the agency in charge of the G.C.O.S. Clean-up operations. Mr. Marchuk came to S.T.O.P. and signed an affidavit on April 17, 1975.

Mr. Mike Chase, the second unsolicited witness, was driving North on Highway 63 towards Fort McMurray on a day the clean-up operations were in full swing. Clouds of black smoke billowing at a distance caught his attention. He followed an access road that led to the House River spill. Mr. Chase also came to S.T.O.P. and signed an affidavit.

S.T.O.P. then attempted to reconstruct the event by reading government documents. To do so we wrote for information to many government and industry officials.

A total of 28 letters were sent to five different Government agencies and G.C.O.S. In some cases we even sent telegrams for additional documentation. Despite this, the Provincial Government and Industry have not co-operated in supplying us with the appropriate information. Of 18 different topics reviewed in our letters of inquiry, a full nine requests came face to face with a wall of silence. Of all the agencies, Alberta Environment and G.C.O.S. were the least co-operative.

The information received thus far has permitted us to survey existing environmental laws and apply them to the House River Case. We shall now address this question.

1. DID G.C.O.S. VIOLATE THE CLEAN AIR ACT?

Persuant to Section 3 of the Clean Air Act Regulations 10/73, Clause 10 (4) says:

"In a rural area, no person shall cause or permit to be caused the emission of a visible contaminant

a) of No. 3 density for an aggregate period of 30 minutes or more in any one hour or

b) of a density greater than No. 3.

What is the Evidence?

- A. From an affidavit by Mr. Larry Marchuk the following is extracted:
- a) "Everyone had been given an ample supply of matches to light the dispersed oil and extensive burning went on for several days thereafter."
 - b) "Once ignited the oil continued to burn with very intense heat emitting thick clouds of black smoke."
 - c) "...about the third day, I brought a Mamayia Sekor Camera with me to take pictures." (Photographs are submitted herewith).
- B. From the G.C.O.S. Interim Report:
- a) "Burning of the oil directly on top of the water and or ice was the major clean up method used, both downstream and upstream of the decant dam."
 - b) "The pools of oil were set alight using Kerosene and propane torches. Many burns were required at each spot since continuous combustion could not be maintained in the shallow oil layers."
- C. From an Affidavit by Mr. Mike Chase:
- a) "On January 3, 1975 at about two o'clock Mr. Daryl Tremblay and I were travelling north on Highway 63 towards Fort McMurray at about 155 miles north of Edmonton. We noticed great intermittent clouds of black smoke billowing from a distant point to the left of the road."
 - b) "Further downstream, I could see huge fires burning on top of the river ice."
- D. From the Federal Department of Environment letter dated May 5
- a) "On Saturday, 28 December a pool of oil on open water 3.5 miles downstream was successfully burned."
 - b) "On 28 Dec. pools of oil on open water 3.5 miles downstream burned successfully." (second report)
 - c) "The downstream oil burns which began on 28 Dec. are progressing upstream towards the decant dam."

Discussion:

Observation of the photographs will show that G.C.O.S. was in excess of the Clean Air Act Visible Emission Standards Density No. 5 of the Visible Emission chart. Only Density No. 3 would be allowed to G.C.O.S. for short periods of time.

Persuant to Section 3 of the Clean Air Act Regulations 10/73 at Clause 10 (g) say:

"Operations or activities specifically authorized in writing by the Director of Standards and Approvals for such periods as he prescribes ..." are exempt from the Visible Emission regulations.

It is to be noted, however, that this exemption does not apply to G.C.O.S. in the House River Clean up operations. In a letter to us from the Department of Environment dated March 17, the Environmental Protection Services said:

"Authorization was not given to ... burn the spilt oil on ice."

It therefore appears that G.C.O.S. burned the oil illegally under the Clean Air Act.

2. DID G.C.O.S VIOLATE PROVINCIAL AND FEDERAL WATER LEGISLATION?

The Clean Water Act of Alberta states:

S 9.1 (1): "...no person shall deposit or permit the deposit of a deleterious substance of any type in a water course or in surface water ..." and

The Federal Fisheries Act states:

S 33 (2): "... no person shall deposit or permit the deposit of a deleterious substance of any type in water frequented by fish or in any place under any conditions where such deleterious substance or any other deleterious substance that results from the deposit of such deleterious substance may enter any such water."

G.C.O.S. appears to have violated these statutes on two counts.

Evidence for Count No. 1

The Oil Spill Itself. From Environment Canada, May 11, 1976: "Upon confirmation from the E.R.C.B., the volume of spilled material is increased from the initial report of 6,000 bbls. to 11,900 bbls."

"The actual breakdown of this material spilt into the river is as follows: 22.2% Naptha, 12.2% Kerosene, and 65.6% Gas and Oil."

There seems to be little doubt that this would be defined as a "deleterious" material under the Federal Fisheries Act which says at Section 33.1:

"Deleterious substance means ... any substance that, if added to any water, would degrade or alter or form part of a process of degradation or alteration of the quality of that water so that it is rendered deleterious to fish or to the use by man of fish that frequent the water."

How 11,900 barrels of crude oil can be dumped into a small river the size of the House and not be classified as a "deleterious material" would require some pretty fantastic stretching of the imagination.

Evidence for Count No. 2

Adding "Deleterious" Material for Clean Up Operation.

A. From affidavit of Mr. Larry Marchuk

- 1) "Each team was given a five gallon can of fuel (which was continuously refilled) and was told to spread it over the oil-laden ice. Everyone had been given an ample supply of matches to light the dispersed fuel and extensive burning went on for several days thereafter. To my direct question about the type of fuel that was being used, the helicopter pilot responded by saying that it was aircraft fuel."

- 2) "We subsequently chopped holes in the ice allowing the oil to rise to the top of the water. Once the oil was exposed we then added aircraft fuel to the water and lit it."
- 3) "The fuel and oil burning left a black residue on the surface of the water and ice."

B. From affidavit of Mr. Mike Chase

"The fires had caused the ice to melt and develop mixed pools of water and oil on top of the layers of ice. Because of the burning, a lot of black soot also mixed into these pools. In some places the pools actually flowed into the river where the ice had broken."

C. G.C.O.S. Interim Report to the E.R.C.B.

"The pools of oil were set alight using kerosene and a propane torch."

SO WHAT

Under the Alberta Clean Water Act, G.C.O.S. would be exempt from Section 9.1 if Alberta Environment or the E.R.C.B. had issued approvals to deposit "deleterious" materials.

In a letter to us dated March 17, Alberta Environment said:

"Authorization was not ~~given~~ to deposit other deleterious material into the House River."

In a letter to S.T.O.P. dated April 26, the E.R.C.B. said:

"...no specific authorization was given to G.C.O.S. to deposit anything in the House River."

As to the Federal Fisheries Act, Environment Canada wrote to S.T.O.P. on April 26 and said:

"In response to your specific questions, Dr. Thornton advises that he did not authorize G.C.O.S. to deposit "any" deleterious material

into the House River..."

It appears then that G.C.O.S. may be guilty of violating both the Clean Water Act and the Federal Fisheries Act on two counts each, i.e. the spill itself and the materials added in the clean-up operation.

3. G.C.O.S. AND HOUSE RIVER DEBRIS

Section 33 (3) of the Federal Fisheries Act says:

"No person shall put or knowingly permit to be put, any slash stumps or other debris into any water frequented by fish, or that flows into such water, or on ice over either such, or at a place from which it is likely to be carried into either such water."

The Alberta Litter Act at Section 6 (1) says:

"No person shall deposit litter, on, into or under water or ice unless the litter is disposed of (persuant to the Clean Water Act)."

EVIDENCE:

A. Affidavit from Mr. Mike Chase

"Some sections of the House River as well as the surrounding banks seemed to be covered here and there with big piles of debris (i.e. logs and cut up trees)."

B. Letter from Minister of Energy and Natural Resources

"Where it was clear that fire-damaged trees would not recover, some were taken down and used to assist the oil-burning operation."

4. G.C.O.S. AND EXPLOSIVES

Relevant Section of the Federal Fisheries Act.

Section 26 "... no one shall hunt or kill fish or marine animals of any kind ... by means of rockets, explosives materials, or explosive projectiles or shells."

Relevant Section of the Criminal Code.

Section 77 "... everyone who has an explosive substance in his possession or under his care or control is under a legal duty to use responsible care to prevent bodily harm or death to persons or damage to property by that explosive substance..."

Evidence:

Great Canadian Oil Sands Interim Report to the E.R.C.B.

- A. "On February 19, 1975, permission was given by the E.R.C.B. to use dynamite when breaking the straw booms free of the three-foot ice in which the booms had become encased."
- B. "... the first straw boom was blasted out of the ice on March 5, 1975."
- C. "The second straw boom was blasted out on March 10, 1975 and final straw rake up completion **occurred** March 14, 1975."
- D. "During the March 11, 1975 communication with the E.R.C.B., a comment arose regarding the blasting in the river. Apparently, the Fish and Wildlife Department would have preferred that a permit to blast would have been issued."

(In a telephone conversation with S.T.O.P. on Tuesday, April 20, 1976 the E.R.C.B. stated that dynamite was not used in the clean-up operation of the House River Oil Spill.)

Discussion:

The straw booms were constructed to "...ensure that any traces of oil escaping downstream would be contained." Explosives were used to disengage them from the ice. Since the use of explosives is only legislated by Federal authorities, the E.R.C.B. is not empowered to issue approvals to use explosives in water courses. In this matter then G.C.O.S. would have acted illegally for lack of proper authorization. The above statement by the E.R.C.B. to S.T.O.P. over the telephone is blatantly contradicted by the evidence.

5. G.C.O.S. AND BEAVERS

Relevant Section of the Wildlife Act:

Section 59: "no person shall cut, spear, open, break, partially destroy or destroy ... a beaver house or beaver dam."

Relevant Section of the Criminal Code of Canada:

"Section 402 (1): "everyone commits an offence who ... willfully causes or ... willfully permits to be caused unnecessary pain, suffering or injury to an animal or bird ... is guilty of offence punishable on summary conviction."

Evidence:

Affidavit by Mr. Larry Marchuk

"A beaver dam was destroyed because of the fire and one beaver had to be killed because it had been consumed by the flames."

Discussion

G.C.O.S. violated both the Wildlife Act and the Criminal Code of Canada in destroying the beaver and the beaver dam.

It is worth noting that in the 1970 G.C.O.S. pipeline break on the Athabaska River, a beaver was also destroyed. One or two beaver kills may not seem so disastrous, but these isolated cases, must, in our view, be considered when planning a new pipeline.

6. G.C.O.S. AND PUBLIC LANDS

Relevant Section of the Public Lands Act.

Section 51 (1) "no person shall cause, permit, or suffer ...
(d) the doing of any act on public land that may injuriously
affect watershed capacity or ... (e) the disturbance of any
land in any manner that results or in the opinion of the Minister
is likely to result in injury to the bed or shore of any river,
stream, water course, lake or other body of water or land in the
vicinity thereof, or ... "

Relevant Section of the Criminal Code of Canada.

Section 392 (1) "everyone who causes fire willfully ... is, if
the fire results in the loss of life or destruction or damage to
property ... is guilty of an indictable offence and is liable
to imprisonment for five years."

Evidence:

A. Affidavit by Mr. Larry Marchuk

"subsequent to the burning of surrounding vegetation it became
evident that serious erosion problems would eventually occur.
The Lands and Forests officials present knew this and ordered
that all burnt trees be cut and piled on the banks of the river
in an attempt to stop further erosion."

B. Letter from Minister of Energy & Natural Resources

"Other damaged trees were left to maintain bank stability
and reduce the possibility of erosion."

C. Edmonton Journal Quote from Mr. Nichol of E.R.C.B.

There has been some "obvious damage" to the river bank in the
form of erosion and from oil seeping into the ground.

D. Federal Government Summary Reports

"Surface contamination of 100 yd. drop on river bank."

Discussion:

It is admitted that damages to Public Lands occurred incidentally to clean-up operations. They did nonetheless occur, thereby contravening the appropriate legislation.

7. G.C.O.S. AND THE FOREST

Relevant Section of the Forest Act.

"Section 9: "Except as may be authorized by the Minister, no person shall cut or destroy any forest growth on forest land."

Relevant Section of the Criminal Code of Canada

Section 390 (a) "everyone who ... willfully sets fire to anything that is likely to cause anything mentioned in Subsection 389 (1) to catch fire ... is guilty of an indictable offence and is liable to imprisonment for five years."

Section 389 (1) "every person who willfully sets fire to ... (i) any wood, forest or natural growth or any lumber, timber, log, float, boom dam or slide is guilty of an indictable offence and is liable to imprisonment for fourteen years."

Evidence:

A. Affidavit of Mr. Larry Marchuk

"Extensive burning destroyed a great number of trees that hung over the edge of the river embankment."

B. Affidavit of Mr. Mike Chase

"Further upstream near the pipeline crossing an overwhelming number of trees had been burnt as a result of the G.C.O.S. fires. Most of these trees remained standing with their trunks blackened, needles burnt off and their roots exposed and burned by the fires. In places some of these trees had been cut and put in the fires to continue the burning..."

"Returning down stream I took more pictures of the river bend where trees had been burnt and fallen into the river. "

C. Letter from the Minister of Energy and Natural Resources

"Subsequent to the burning a check has been made of the two and one half miles of House River banks which were affected. It is estimated that less than two acres of forest cover were affected..."

D. Quote from Edmonton Report January 13, Page 3

"Heavy Machinery moved into the area, slamming down trees to get to the river so that a dam could be built."

Discussion:

The Minister of Natural Resources confirmed S.T.O.P.'s view that G.C.O.S. had destroyed trees without authorization. On February 24th he said:

"...under the strictest interpretation of Section 9 of the Forest Act, 1971, the Minister of Energy and Natural Resources did not authorize G.C.O.S. to destroy timber in the process of cleaning up their spill."

HERE'S WHY THE CONFUSION OCCURRED IN THE FIRST PLACEWAS GREAT CANADIAN OIL SANDS NEGLIGENT ?

Had the House River Break been the first in G.C.O.S.'s history, much of their action might have been excusable for lack of experience and know-how in avoiding, predicting, containing and cleaning up oil spills. But the House River spill was the second since 1970 and we should expect G.C.O.S. to learn from prior experience and do all in their power to assure that future breaks are avoided.

Following the House River Spill, some of the G.C.O.S. pipeline break documentation was presented to the Criminal Justice Section of the Alberta Attorney General's Department for review, to determine whether or not G.C.O.S. had been negligent with respect to the construction of its oil pipeline. Unfortunately, the Department was unable to gather sufficient information from appropriate authorities and concluded in December of 1975: "This House River Spill, now almost a year old, has really floundered on the question of whether or not there was negligence on the part of G.C.O.S. in the construction of the pipeline adjacent to the river." With this closing note, the Department discontinued further investigation.

S.T.O.P. contends that the question of negligence must be considered in light of a number of important points. First of these is to determine if G.C.O.S. could have avoided the spill altogether had they applied their experience with their first oil spill from the same pipeline in 1970. Second, could G.C.O.S. have minimized the damage once the spill occurred, and how?

In 1970, the G.C.O.S. pipeline broke for the first time spilling about 19,123 barrels of oil into the Athabaska River in the Tar Sands Area. The spill spread 150 miles north along the river to Lake Athabaska requiring a temporary shut down of commercial fishing operations and a halt to domestic water supplies along the spill area.

Within 48 hours of the spill, at S.T.O.P.'s insistence, the Provincial Government declared an inquiry into the matter and found that the pipeline rupture had occurred because of a construction defect. The inquiry lasted about two months and involved five different Provincial departments.

The final report, published a few months later, outlined a number of serious problems with respect to pipeline breaks and made at least five important recommendations for G.C.O.S. to consider.

In like manner, after the House River spill, G.C.O.S. was required to submit two reports to the Energy Resources Conservation Board to determine the cause of the 1974 break. We will now consider both the 1970 report and the G.C.O.S. reports following the House River Spill together to determine whether or not G.C.O.S. was negligent.

1. DID G.C.O.S. OPERATE ITS PIPELINE PROPERLY?

In its preliminary report to the E.R.C.B., G.C.O.S. said: "There is no reason to believe that pipeline operation or the nature of the pipeline material was significant in causing the break."

This statement is not substantiated by data. The G.C.O.S. pipeline commenced full operation in September of 1967. It was constructed to transport 57,000 barrels of oil per day (or 2,375 barrels per hour). This was within the approved construction design of 1,440 p.s.i. (pounds per square inch).

In its interim report to the E.R.C.B., G.C.O.S. reported that at the time the break occurred, the pipeline was carrying 2520 barrels per hour. This is 145 B.P.H. more than allowed under their safety specifications.

It appears, then, that G.C.O.S. was in breach of its safety standards at the time the break occurred.

After three different attempts to get more detailed information from G.C.O.S. on this question, S.T.O.P. still has received no data from the company. In a letter to S.T.O.P. dated February 2, 1976, G.C.O.S. said:

"It is not practicable in terms of allocation of staff and other resources for us to prepare additional data or to get involved in the selective collection, interpretation and re-interpretation of existing data."

Thus, if errors occur because of Great Canadian Oil Sand's refusal to forward information, S.T.O.P. will not assume the onus of responsibility.

2. DID G.C.O.S. CONFORM TO CONSTRUCTION SAFETY STANDARDS?

After the first break in 1970, the Provincial Inquiry stressed that: "It cannot be emphasized too strongly, that the best way to handle oil spills is to prevent their occurrence." In this respect it was recommended that: Pipeline and storage tanks should be designed and tested according to established safety standards."

The fact that G.C.O.S. was operating in excess of the Provincial safety standards in 1974 is an indication of its desire to prevent oil spills. When seen in isolation, this fact and the occurrence of the pipeline break may appear to be a mere felicitous combination of circumstances. However, one should not be hasty in excusing G.C.O.S. because the break appeared to be an "accident". There are at least two more intervening factors that were never considered by the G.C.O.S. consulting firm to determine the causes of the House River Spill.

- A. The pipeline safety specifications are very clear about the depth at which the pipeline is to be buried (in this case 4 - 5 feet). This is to assure that the pressure of the over-burden on the pipeline is maintained at a minimum. But G.C.O.S. exceeded these safety specifications as well, In a summary report about the December 26th, 1974 spill, Environment Canada noted:

"Oil pipeline is supposed to be buried 4 - 5 feet underground but late Sunday night 29/12 the break was uncovered at a depth of 15 feet."

This was substantiated by Environment Canada in a second summary report on December 30. It says:

"Oil pipeline uncovered late Sunday (29 December) 15 feet below grade. It should be at 4 - 5 feet depth."

Whether or not this played a significant role in the pipeline break is yet to be seen since it was not studied by G.C.O.S. However, whatever the cause of the break, we may rest assured that G.C.O.S. did not conform to the spirit of the Government's first 1970 recommendation that safety standards be respected.

- B. In 1970, the inquiry made it clear that additional standards be applied to pipelines crossing rivers and streams. It said:

"Current standards require additional safety factors at all river crossings."

Among these it is mentioned that the minimum wall thickness of the pipeline at major river crossings be .5 inches. The Inquiry continued to say:

"Consideration should be given to the extension of this to areas adjacent to rivers e.g. within one mile."

The G.C.O.S. pipeline is .203 inches at the House River crossing. This is .297 inches less than "current standards" of .5 inches. G.C.O.S. would undoubtedly say that these standards were not in effect for rivers the size of the House when they built the pipeline. The fact still remains, however, that the pipeline wall thickness was below the recommended standards proposed by the Government in 1970. This question was not considered by the G.C.O.S. consulting firm in determining the cause of the break.

3. HOW DID G.C.O.S. DETECT THE HOUSE RIVER BREAK?

It appears that G.C.O.S. only followed up one of the five 1970 Government recommendations. This is what the Government requested:

"Additional instrumentation of pipeline flows to give early detection at each end of the pipeline suitably co-ordinated and connected to an alarm-working system."

On the basis of G.C.O.S.'s description of the spill detector in their interim report, it was clear that the company had in fact implemented this recommendation. Under normal circumstances, this action would be accompanied by a hearty congratulation from S.T.O.P. However, in view of subsequent events, we consider this action by G.C.O.S. a mere token to environmental protection.

4. DID G.C.O.S. TRY TO MINIMIZE THE SPILL AT THE HOUSE RIVER?

To minimize the damage done by pipeline spills, the 1970 Inquiry's fourth recommendation was that:

"Consideration be given to the feasibility of requiring some form of check valve to be installed in pipelines ... adjacent to ... a river or stream."

G.C.O.S. did not install any such check valves. The first Environment Canada report about the spill said:

"Automatic shut-off valves are not located on either side of the House River under which pipeline passes."

A second Environment Canada employee also noted, in his report about the spill:

"pipeline drainage procedures completed at 1500 hours. (nearest block valves 12 and 44 miles away."

If one is to study a cross-section of the topography of the pipeline track, up to 21 miles of pipeline oil would conceivably be lost through the House River break because check valves were not installed. S.T.O.P. considers these check valves to be essential for environmental safety.

5. WAS G.C.O.S. PREPARED FOR THE HOUSE RIVER BREAK?

In the 1970 spill, most of the spilt oil escaped while G.C.O.S. and Government officials could only stand by to watch. Very little of the river clean-up operations successfully recovered the oil.

The final recommendation by the Inquiry stated clearly that:

"Contingency planning for coping with major oil spills and hazardous chemical spills should be undertaken with a systematic approach."

It was finally recommended that:

"Oil industry and pipeline companies be requested to consider the organization of a joint program for this purpose."

By 1972 this problem became more evident--enough to have the former Environment Minister Bill Yurko say:

"We regard the present state of readiness of the industry's oil spill co-operative program to handle oil spills as far from adequate."

About industry's contingency plans, Mr. Yurko continued,

"... it appears to be under-organized ... under-equipped ... and under-prepared."

As though to fulfill Mr. Yurko's prophecy, G.C.O.S. appears to have entirely ignored the Government's fifth recommendation. The House River Spill was cleaned up--not by a comprehensive contingency operation--but by Catalytic Enterprises--G.C.O.S.'s maintenance arm.

As far as we can determine, the Alberta Oil Spill Contingency group offered G.C.O.S. its assistance in cleaning up the spill. But G.C.O.S. refused. Despite our many attempts to find out why, we still have no clear-cut explanation for their behaviour.

The result, as we have seen at the House River, is that clean-up crews--unprepared and without appropriate know-how--attempted to clean up the spill and violated Provincial and Federal Environmental legislation in the process. This practise must be curtailed.

6. WHAT DID G.C.O.S. SAY CAUSED THE HOUSE RIVER BREAK?

R.M. Hardy and Associates--a consulting firm for G.C.O.S. reported in August, 1975 that the major cause of the pipeline break was attributed to what they termed "slope movement."

Although the report concludes that there is a strong coincidence between the construction of a nearby road by Albersun Pipeline Co., just a few months prior to the break, it also stressed that "... slope instability is very old relative to the age of the pipeline."

This view is confirmed by a February 12, 1976 report prepared by Canuck Engineering, Ltd. in Calgary. In volume one of their report to the E.R.C.B. about the Syncrude pipeline, they describe the House River in the following manner:

"This valley (House River) is steeply incised into the LaBiche formation (Green, 1970). A dark grey to dark brown, soft, plastic, marine shale. Despite the absence of any evidence of recent movement, the whole valley wall is regarded as inherently unstable at its present depth (200 ' to 250 ') and with slopes averaging 27° - 28° . Failure by slumping of these weak materials, with these slopes and valley-wall heights, would not be surprising."

We have found no evidence that this question was studied by G.C.O.S. during the planning and construction stages of the pipeline. To our knowledge, G.C.O.S. had never conducted a baseline environmental study of the area to predict slope movements and to construct the pipeline commensurate with environmental safety. It is our view that the onus of responsibility to gather baseline data to predict environmental hazard must ultimately rest with the proponent of the pipeline. Failure to do so should legally be defined as "negligence". Following pipeline breaks such as that at the House River, we recommend that the proponents be prosecuted for negligence under the Criminal Code.

CONCLUSION

S.T.O.P. considers that G.C.O.S. was negligent in the House River Pipeline Break. We think the break could have been avoided if G.C.O.S. had:

1. Conducted appropriate baseline environmental studies before building the pipeline.
2. Constructed the pipeline in accordance with the prescribed safety standards.
3. Operated the pipeline within the limits defined in its permit under the Pipeline Act.

S.T.O.P. also considers G.C.O.S. to have been negligent for failing to follow up the 1970 Government recommendations and minimize the effects of the spill by:

1. Installing check valves at water crossings.
2. Relying on a competent contingency force to clean up the spill.

RECOMMENDATIONS:

S.T.O.P. considers that operating permits for any pipeline should conform to acceptable safety standards and that pipeline proponents be prosecuted when those limits are exceeded. We recommend a \$10,000.00 fine for each day in which violations occur.

With respect to construction safety standards, S.T.O.P. recommends that additional safety precautions (such as thick pipeline walls) be required before the go-ahead to construct be given. ✓

S.T.O.P. recommends that appropriate detection warning systems be installed for use on all pipeline systems.

S.T.O.P. recommends that check valves and/or automatic shut off valves be installed on each side of every water crossing on all pipeline systems.

S.T.O.P. recommends that a comprehensive Contingency group be established and be charged with, and be equipped to handle, oil spills. We also recommend that stiff penalties for deviation from this rule be instituted.

S.T.O.P. recommends that pipeline permits not be issued until the proponents can clearly show that they are capable of cleaning oil spills on ice. In our view the climate of Alberta and of the North and the predominant winter conditions demand this.

S.T.O.P. and the American Indian Movement recommend to this inquiry that the above recommendations about northern pipelines be considered subsequent to the declaration of a moratorium of at least ten years on development in the north. Such questions as Native Land Claims and Treaty Rights must be resolved, jurisdiction over such development must be established, a comprehensive Canadian Energy Policy which will include accurate accounts of Canada's energy reserves must be presented, the sociological and economic effects must be extensively examined and appropriate environmental studies must be undertaken.

RECOMMENDATION FROM THE 1970 INQUIRY INTO THE G.C.O.S.
PIPELINE BREAK NEAR THE ATHABASKA RIVER

1. The Inquiry stressed: "It cannot be emphasized too strongly that the best way to handle oil spills is to prevent their occurrence." In this respect it was recommended that: Pipelines and storage tanks should be designed and tested according to established safety standards.
(N.B. The Inquiry found that the 1970 spill was due to a construction defect in the pipeline.)
2. The Inquiry noted that current standards require additional pipeline safety factors at all river crossings. (i.e. a minimum wall thickness of .5 inches) The study noted that: "Consideration should be given to the extension of this to areas adjacent to rivers. e.g. within one mile."
3. In the event of a break the Inquiry recommended: "Additional instrumentation of pipeline flow to give early detection of a pipeline break." "Specific rate of flow detectors at each end of the pipeline, suitably co-ordinated and connected to an alarm working system" was recommended.
4. To minimize the damage done by pipeline spills, it was recommended that "Consideration be given to the feasibility of requiring some form of check valve to be installed in pipelines which are adjacent, or in the case of accident, could spill into a river or stream." It was further recommended that pipelines be "...equipped with automatic shut off valves that stop flow if a break in pipelines occur."
5. In conclusion the Inquiry recommended that: "Contingency planning for coping with major oil and hazardous chemical spills should be undertaken with a systematic approach." It was recommended that "Oil industry and pipeline companies be requested to consider the organization of a joint program for the purpose."

Cause remains mystery *Dec 30/74* # 21 in GCOS pipeline break

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By JON FAULDS
Of The Journal

Work crews Sunday dug out the ruptured segment of the Great Canadian Oil Sands Ltd. pipeline that caused Thursday's 6,000-barrel oil spill, but the cause of the break is still unknown.

"It looks like there are two possible causes," said John Nichol, area engineer for the Energy Resources Conservation Board.

"Either it was a split seam, or a wrinkle (a kink or bend) in the pipeline."

However, it is not yet known whether the break was caused by a construction defect or a page of the river bank in which the pipeline was buried, he said.

Workers dug 12 feet into the bank of the House River, 164 miles north of Edmonton, to retrieve the segment of 16-inch pipe which gave way about 7 a.m. Thursday.

The break occurred in a straight section of the pipe which was carrying between 2,200 and 2,400 barrels per hour at the time, Mr. Nichol said.

Meanwhile, other crews worked round the clock burning small patches of oil off the river as the mop-up operations continued.

The majority of oil has been skimmed or sucked off the ice covering the river and returned to the GCOS plant in Fort McMurray for re-refining.

The burning was con-

fined to patches where "the oil is not thick enough to be picked up", Mr. Nichol said.

There has been some "obvious damage" to the river bank in the form of erosion and from oil seeping into the ground, but the damage was not too great because the ground was frozen, he added.

"Possibly we'll have to scrape off a little earth."

He added there is a slight possibility that some of the oil may remain frozen in the bank and run into the river in the spring thaw.

Clean-up operations are not expected to be complete for another five or six days, Mr. Nichol said.

Provincial Environment Minister Bill Yurko said Sunday the province is conducting its "usual inquiry" into the spill, the second break in the GCOS line in four years.

"Until the data is in we have no reason to contemplate a special inquiry," Mr. Yurko said.

He added however that if "something unusual crops up" in the routine investigation, then a special investigation may be called.

The routine report could take a month or more to complete if a detailed metallurgical study is needed, Mr. Yurko said.

Grant Notley, provincial New Democratic Party leader, meanwhile, urged that the re-

port be made public as soon as possible.

"If there is going to be a routine investigation, it should be made public and tabled in the legislature at the earliest possible opportunity," he said.

Mr. Notley called the oil spill "a warning" that strict environmental standards must be maintained in development of the Athabasca oil sands, and expressed concern that there are "no provisions in environmental planning for disasters."

"We need contingency plans for unforeseen events. We cannot afford to short-circuit stringent environmental standards in the development of the oil sands," he said.

The GCOS pipeline ruptured once before, on June 6, 1970, along the Athabasca River near Fort McMurray.

More than 19,000 barrels were spilled in that break and oil reached the Athabasca River, floating downstream 150 miles to the delta where the river enters Lake Athabasca.

Fishing along the river and in the lake was disrupted and drinking water supplies were upset at Fort McKay and Fort Chipewyan due to oil in the water.

A provincial inquiry found that the spill was caused by a split in the pipeline due to a construction defect.

Feb 22/75 Soil shift cited #21 in pipeline break

FORT McMURRAY (CP) — Great Canadian Oil Sands Ltd. (GCOS) said Thursday that rupture of an oil-transmission line at House River, 165 miles north of Edmonton, last Dec. 26, was caused by abnormally high, externally-applied stresses.

The company said the stresses were caused by soil movement believed due to disturbances caused by road construction in the area, but engineering tests and soils studies were not yet conclusive.

GCOS said pipe-making or steel-making defects were not involved in the rupture.

Final calculations indicate the spill was some 11,900 barrels, the major portion of which was cleaned up by Jan. 5. Company personnel are carrying out a monitoring scheme to ensure all trace oil has been removed from the House River.

Oil sands crews clearing spill ^{Dec 27/74} #21

Recovery operations by Great Canadian Oil Sands Ltd. (GCOS) were in full swing today after a 16-inch diameter pipeline ruptured spilling 6,000 barrels of oil on the House River, 164 miles north of Edmonton.

The break near Crow Creek was discovered about 6:55 a.m. Thursday by monitoring equipment at the plant, 266 miles north of Edmonton and the line was immediately depressurized and shut down. The spill was later confirmed by Aerial Survey.

John Perchinec, press information officer for the company said the spill had been contained by dikes within 300-400 yards of the break, the major portion on eight-inch-thick ice.

Crews using trucks, snowmobiles, and aircraft took about four hours to find the break in the pipe and oil spill, equipment wash rushed immediately to the scene, the company spokesman said.

It would take about 26 tanker trucks with a holding capacity of 7,000 gallons, one of the largest tanker vehicles on the road, to haul away the 6,000 barrels of oil.

One barrel of oil is equivalent to 29 Canadian gallons.

If weather conditions remain the same, crews should be able to suck the oil off the ice, according to John Nichol, area engineer

for the Energy Resources Conservation Board.

Recoverable oil will be pumped into several pits.

The oil will then be pumped into tanker trucks to be hauled away. That phase of the recovery operation was to start today, a company spokesman said.

There was no immediate indication of the cause of the rupture in the line which occurred on a steep bank of the river, making access by the 60-man clean-up crew and equipment somewhat difficult.

"Traces of oil seen furthest from the spill were some three miles downstream," Mr. Perchinec said in a release.

"But there was no oil showing in clear, ice-free water five miles from the spill site."

#21 Dec 28/74 Oil spill contained in limited area

FORT McMURRAY (CP) — Company crews monitoring water flow downstream from the area where 6,000 barrels of oil spilled onto ice Thursday reported Friday that no further traces of oil had been seen in the river.

A portion of the oil from the Great Canadian Oil Sands Ltd. (GCOS) pipeline seeped through river ice and headed downstream but the company said the major portion of the spill was contained within 300 to 400 yards of the break atop the river ice.

Traces of oil from the spill were spotted Thursday three miles downstream but open water five miles downstream showed no trace of it, the company said.

Crews worked Friday to skim the oil from the basin constructed near the pipeline break. It was pumped into pits and was being transferred to tank trucks for transport back to the company plant in Fort McMurray where it may

be re-used, the spokesman said.

Earl Rea, director of GCOS plant operations, said secondary mop-up operations are under way with two sets of booms strung across the river to skim the water surface. One is about 3½ miles below the pipeline break; the other is across the mouth of the House River where it flows into the Athabasca as part of the Mackenzie River drainage system.

Mr. Rea also said the company is preparing to install two underwater filter systems at different locations in the House River and is planning permanent repairs on the damaged pipeline.

GCOS said it still does not know how the break occurred on the pipeline, 266 miles north of Edmonton. It was discovered by monitoring equipment at the plant where oil is extracted from saturated sands.

The pipeline had been sealed but was not yet back into operation.



CLEANER SUCKS IN SPILLED OIL

Vacuum pump used by worker at spill site

Oil company works frantically to avoid environmental disaster as pipeline bursts

Christmas had moved into Boxing Day at the lonely oil sands plant near Fort McMurray. Only the urgently needed workers were going about their duties in pre-dawn darkness when 100 miles south of the plant, frozen earth near House River erupted with an ominous crack. Bubbling black synthetic crude gushed through icy snow, cascaded down a slope and edged across the ice covering the river.

About five miles downstream, the House empties into the Athabasca River, the stream that supplies the 13,000-resident town of Fort McMurray with water. As the oil moved over the ice, a pipeline telemeter at the distant plant showed a tremendous drop in the pressure of the pipe. A worker then knew that oil moving down the cross country pipeline at 2,500 barrels an hour was escaping in vast quantities. The pipe was ordered closed immediately from the Great Canadian Oil Sands, Ltd., plant, but technicians knew some more oil would continue to drain where the leak occurred.

As New Year's day approached, the business of finding the ruptured pipe was frantic. Unless it could be discovered within a week, storage facilities at GSOS would be full. The only recourse would be to shut down the synthetic oil plant at a cost of \$3 a second, more than \$10,000 an hour, or \$250,000 a day. Although the pressure was no longer in the pipeline, the stress was on the workers at the tar sands plant. The ecological implications of any oil spill are vast. If residents of Fort McMurray had gotten oil from their water taps, the incident could have caused international repercussions in the sense that some ecologists could be expected to question the sanity of constructing any oil pipeline. Somewhere down the pipe,

GCOS technicians estimated, more than 6,000 barrels of oil — 210,000 gallons of black gold worth approximately \$40,000 — was moving, menacing man and his environment.

Like other major Canadian oil companies, GCOS officials had been taking training courses in the practical aspects of containing and handling oil spills. The only gap in their training, apparently, was detailed methods of fighting a spill in freezing weather. The telemeter had

showed the drop in pressure at 6:55 a.m. By 7:30 a.m., executives of the oil company were meeting, Alberta authorities had been notified, back-up services were being obtained from other companies and a single-prop plane was flying down the pipeline. By 10:40 a.m., the spill was spotted from the air, and crews were dispatched at once.



CHURNING CHOPPER READY TO CLEAR OFF

Monitoring of burning oil operation done by air

CARY OF G.C.O.S.
Points out spill area.

The break took place on the banks of the river about 80 miles south of Fort McMurray near Crow Creek. Officials speculated that heavy construction in the area could have been indirectly responsible for the pipeline break, but were unable to come up with any conclusive evidence. Heavy machinery moved into the area, slamming down trees to get to the river so that a dam could be built. The chilly crude lay atop the ice, but some seeped into the water near the dam and moved down stream. Vacuum equipment was moved into the area, and the traces of oil in the stream were removed. Booms were lowered into the ice downstream as far as five miles away to prevent some additional oil that had moved beyond the dam from moving into the Athabasca. Helicopter crews surveyed the operation. The oil atop the ice below the dam was covered with straw which was lit with a torch. Heavy black clouds soon filled the clear northern sky.

GCOS officials estimated it would take them approximately a week to get the bulk of the oil from the area. Cleanup operations will continue for at least three months, officials said.

The machinery that was digging into the earth near the break site could not go down deep enough to uncover the pipeline rupture. Heavy trucks, moving over the icy roads of the area, were attempting to get bigger machinery into the break area. "They have to arrive," mused Bill Cary, an official with the company. He was right, for any unreasonable delay could cost GCOS \$1.75 million a week.

Oil spills probed under northern ice

By DON SELLAR

Southam News Services
vices

OTTAWA — Omelets are made by breaking eggs, and oilfields are developed by spilling oil ... as little as possible.

That reasoning underlies a series of eight controlled oil spills—10,000 gallons in all—being conducted this winter under Beaufort Sea ice in the Canadian Arctic.

The spills are only part of a 29-project, \$10 million crash program to determine the environmental consequences of petroleum exploration beneath the shallow sea.

A joint government-oil industry team is hoping the Beaufort Sea Environmental Program, as it's officially known, will produce acceptable ground rules for future drilling in the ice-clogged region.

Procedure

Each oil spill experiment is designed to leave a thin layer of oil beneath a curtailed-off, 100-foot circle of ice at Little Oil Spill Bay near Cape Parry.

"The clean-up technology and the effects of oil spills in warm marine environments are relatively well known and documented," a federal Environment Department spokesman explains.

"But our knowledge of oil spills and clean-ups in ice-infested water is limited by pure inexperience."

At Little Oil Spill Bay, researchers are trying to determine the potential climatic effects of spilled oil. There is considerable concern that under-ice spills would speed up ice meltage in the Arctic and wreak environmental disaster on a large scale.

Ugly scars

It is widely assumed that almost all potential Arctic oil spills would occur under the ice. The thick, heavy oil would work its way slowly to the surface and leave ugly scars across it.

Then, because the black mass would absorb more heat from the sun and disrupt wind patterns in the area, the underlying ice might melt, with unpredictable but tragic results.

Scientists have worried aloud that a reduction in the size of the Arctic ice cap might produce temperature changes elsewhere in the world and even cause flooding.

At present, environmentalists say there is no known method for coping with under-ice spills. There is concern that cleaning up an oil spill by burning it might create an even worse, sooty mess.

Once the research team completes its Little Oil Spill Bay experiments—including a study of light intensity beneath oiled ice and research into the movement of oil through ice—another set of experiments will test various proposed clean-up methods.

The price

Federal officials are quick to admit that exploratory oil drilling in the Beaufort Sea almost certainly has negative effects on the environment. That's the price of producing oil.

"We want to make drilling in this area as safe as possible," one Environment Department spokesman says.

Some drilling already has taken place in the Beaufort Sea, but this exploratory activity has consisted of wells drilled from artificial islands by the largest operator in the area, Imperial Oil Ltd.

The area is believed to contain huge reserves of recoverable oil and natural gas, though Imperial executives are being unusually cautious about divulging any details of what are believed to be large discoveries already made there.

Last year, the Geological Survey of Canada published a report which estimated there are three billion barrels of oil and 45 trillion cubic feet of natural gas somewhere beneath the Beaufort Sea. * ①

That's a lot of petroleum for a nation which doesn't yet burn two million barrels of oil or much more than one billion cubic feet of natural gas annually.

The Environment Department designed the Beaufort Sea Environmental Program, and the work is being done under an agreement signed last May by Ottawa and the oil industry.

Fortunately for both the government and the oilmen, the spill experiments are taking place in a carefully-selected area considered relatively unproductive from a wildlife and biological point of view.

There are no nesting grounds in the vicinity of Little Oil Spill Bay, and when the ice melts for a six-week summer each year, the water there is cloudy with silt which runs off the surrounding heavily-glaciated hills. This means there is not much plankton in the water and therefore no significant fish population.

Right now, the area is as bleak as any spot on the globe. It's dark there 24 hours a day, and temperatures—moderated by the coastal location—remain well below zero, with winds averaging 15 mph. all year round.

In this bleak and eerie atmosphere, complex experiments and studies involving fish, marine mammals, sea birds and climate as well as the effect of spilled oil are proceeding. The 29 studies are to be distilled into six "overview" reports and finally summarized in a nontechnical document that may be available late this year.

Dome Petroleum, the first oil company hoping to do exploratory offshore drilling in the Beaufort Sea, wants to move its drill ships into position this year in preparation for the 1976 drilling season.

If it receives the green light, the exploratory holes it drills will be plugged and abandoned, pending further oilfield development permitted in the region under a federal licensing system.

Student advice sought on Arctic oil spills

TORONTO (CP)—The experts are turning to high school students for advice on how to clear up Arctic oil spills.

"I rather hope some of them come up with some good ideas," said Dr. Donald Mackay, a University of Toronto chemical engineer.

As part of a forthcoming

open house at the university's department of chemical engineering and applied chemistry, an essay contest for high schoolers has been planned.

Subject: How to clean up a large oil spill from an ice-covered Arctic lake in 20 degree temperature with ice breakup four weeks away.

Ecology group challenges Arctic twin-pipe theory

33

EDMONTON JOURNAL, Friday, March 21, 1975 27

By Gorde Sinclair
Of The Journal

YELLOWKNIFE, W.T. — An environmental concern group has challenged the contention by Canadian Arctic Gas Pipeline Ltd. that it designed twin-pipe crossings of major water systems as insurance against the "remote" possibility that one line might rupture.

Russell Anthony, counsel for Canadian Arctic Resources Committee (CARC), suggested Thursday at the Mackenzie Valley pipeline inquiry that Arctic Gas designed the dual crossings because it knew a "major unresolved" engineering problem posed a threat to the safety of the line.

The Vancouver lawyer referred to a study done by an Edmonton consultant for Arctic Gas. The study concerned engineering aspects of river crossings and was published last November.

The report mentioned "major unresolved problem" concerning the prediction of how much bottom soil might be gouged or "scoured" from the river bed because of an ice jam during spring break-up.

"If reliable predictions of the magnitude of scour associated with severe ice jamming events cannot be developed in time for the final design, an alternate solution is to design and construct dual crossings at locations where severe ice jam related scour might occur."

Dr. Gary Hollingshead, another of the eight-man panel of Arctic Gas witnesses, reiterated the rationale for the dual crossings. He said there was no greater risk of rupture at river crossings than there is on land but in the unlikely event of a break during spring break-up it would take weeks, perhaps a couple of months to repair the damage.

He put it in dollar terms. It's better to spend \$10 million on a second, insurance line, than to risk losing revenue of three or four million dollars per day the line is out of service.

But CARC counsel Anthony pointed to the coincidence of the report being finished in July, the same month the dual line came under consideration. He also seemed unconvinced by Dr. Cooper's claim that a prediction model had been developed without any additional information being available on spring breakup.

In other cross-examination by Mr. Anthony, Dr. R. M. Hardy of Edmonton told the inquiry that the concept of a chilled buried pipeline was settled on early in discussions on the line. He indicated that the mode was chosen and then engineers hired to solve the problems created by the method.

Dr. Hardy said when the chilled line was first conceived, some thought it was the magic mode for a pipeline in the Arctic. But he said it was soon discovered that while the chilled line solved some problems

created by areas of permafrost it created other headaches in areas where the ground wasn't frozen.

Or, as he graphically put it: "It's like having a leaky pail. You plug up one hole by using a cold line and you open up a hole somewhere else."

Mr. Anthony was concerned again about river crossings. This time he wanted to know what studies Arctic Gas had done about running the pipe over the rivers instead of underneath. He was clearly concerned that burying the pipeline might cause environmental problems. #26

The inquiry was told no studies were done on spanning the rivers. Dr. Hardy said he could see no major reason for doing anything else but burying the line under rivers.

"Perhaps," concluded Mr. Anthony, "over the next weeks and months we'll be able to give you some."

Gulf discovers oil in Mackenzie Delta

April 27/76

Gulf Oil Canada Ltd. Thursday announced its first oil discovery in the Mackenzie Delta.

Gulf said the exploration well, drilled in the Parsons Lake area where previous natural gas discoveries have been made, flowed light oil at rates of up to 2,800 barrels daily during tests.

The exploration well, Gulf-Mobil Kamik D-48, was drilled about 40 miles north of Inuvik on acreage owned 75 per cent by Gulf and 25 per cent by Mobil Oil Canada.

The well tested sandstone zones below a depth of 9,000 feet. Gulf said it drilled a structure separate from previous natural gas discoveries.

The major oil company says that further drilling in the Parsons Lake area will be required to determine the significance of the discovery. Gulf is currently drilling three other wells to complete its seven-well winter drilling program in the Mackenzie Delta.

EDMONTON, ALBERTA, MONDAY, MAY 10, 1976

'Sick socialism exploiting natives'

By JON FERRY

YELLOWKNIFE — Northwest Territories Councillor David Searle unleashed an attack on what he called sick socialism exploiting "innocent and idealistic" northern native people.

Mr. Searle (Yellowknife South), speaker of the house, said the Territories has become "the outdoor lavatory for the dogooders of Canada."

In an emotion-charged speech, he urged northerners to cast out socialists like Mr. Justice Tom Berger (former leader of the British Columbia NDP party) and native consultant Mel Watkins (founding member of the Waffle Socialist Group).

"The North is crawling with the life of southern Canada, biologists, anthropologists, economists, sociologists, and political scientists — just to name only a few — who have secured grounds from either government or industry and pry and prod our every act, whether that act be natural or unnatural, our every thought and every pore of our bodies," said Mr. Searle.

"Ranking high in numbers from the

foregoing groups are the left-wingers doing their unproductive selfish thing, planting and cultivating their sluggish sickness among our innocent and idealistic native peoples."

He said society was sick and Canadians simply couldn't afford more social services but must exercise restraint in these inflationary times.

He advocated removing family allowances, reducing legal aid, cutting back environmental controls, taking a tough line with native groups and other grant-getting bodies, generally reducing all government programs, and firing staff when there is no more program money.

Mr. Searle was addressing the annual meeting of the N.W.T. mental health association.

Reaction to the speech from at least one native leader was that Mr. Searle obviously felt very "threatened."

George Erasmus, staff member of the Indian Brotherhood of the N.W.T. charged that the Yellowknife lawyer was simply

More NATIVES Page 3



David Searle

Natives

(Continued from Page 1)

part of a powerful, wealthy elite which felt its interest jeopardized by democratic proposals put forth by both natives and whites.

Mr. Erasmus, also a candidate for the Brotherhood presidency, said many northerners were questioning the present "non-democratic" territorial government system.

He also charged that Mr. Searle would like to see Mr. Berger's credibility undermined because the Berger inquiry was providing an excellent forum for people to present their views.

Mr. Erasmus said it was ironic Mr.

Searle made these statements at a meeting of the territorial mental health association.

Asked for his reaction to the charge that he was simply a member of a wealthy, powerful elite, Mr. Searle replied that he was neither wealthy nor powerful.

"They are both false," Mr. Searle told the Journal, "but they are two allegations that I would dearly love to plead guilty to."

Mr. Searle said his concern and that of his constituents was that the voice of the ordinary guy in the street — whether white or native — was being drowned out by the voices of well-funded native, industrial and other groups.

PERMAFROST RESEARCH VITAL FOR NORTHERN PIPELINES

by: D. F. Marlett

According to Dr. M. R. Morgenstern, Professor of Civil Engineering, the University of Alberta was the first Canadian Institute to undertake systematic studies on permafrost. The interest goes back to the 1940's when members of the staff, particularly R. M. (Bob) Hardy, former Dean of Engineering, were involved with the construction of the Alaska Highway from Dawson Creek to Fairbanks.

The resurgence of interest came about six years ago with the incentive to increase technological capability in building Arctic pipelines. Dr. Morgenstern directs permafrost research at the University of Alberta and has acted as a private consultant to various Arctic pipeline studies, which involved several pilot projects such as those at Norman Wells, Inuvik and Sans Souf R. These projects were carried out to determine the application of the research already made at that time to the particular project being studied. Dr. Morgenstern said, "We began our studies in permafrost with trying to understand the problems of how the ground responds when you bury a hot pipeline in permafrost. At that time there was a view that you could not do it! that the ground would turn into slurry, and that the pipeline had to be placed above the ground. The results of our research indicated that there is a large amount of frozen ground in which a pipeline can be safely buried without suffering undue stress. This has enormous economic implications because of the saving in burying a pipeline as opposed to putting it on piles. The same research leads us into the question of slope stability in permafrost when trees are cut down, vegetation changed and excavations made."

At the same time, studies were conducted on the peculiar proper design more efficient foundations. Another area of special interest has been the frost heave problem that gas pipelines encounter in the discontinuous zone of permafrost. The gas in the pipeline will be at a low temperature to stop the permafrost from thawing. When the pipeline passes through unfrozen ground, the ground freezes causing a heaving, much the same as frost boils on our highways. If it causes the pipeline to bend in a differential manner, it could create stress in the pipe. Concepts developed at the University of Alberta have contributed to the final design adopted by the Arctic gas pipeline projects that are presently under consideration.

In addition to the research conducted in the Department of Civil Engineering, the Botany Department has performed impressive research on the restoration of disturbed terrain in the

Arctic. The research at the University of Alberta was the result of local initiative, with financial support from the University, industry and government. "We identify the problems ourselves and in that sense we feel we lead the technology", said Dr. Morgenstern.

Funding for these research projects has been provided by a number of agencies: - the Department of Indian and Northern Affairs, the Geological Survey of Canada of the Department of Energy, Mines and Resources, the National Research Council, the Defence Research Board, the University of Alberta and private companies. There is no coordinating agency as such and it is left to the skills of University professors to keep these lines and contacts open and to maintain his credibility with the funding agencies. The number of people organizing permafrost research is relatively few in comparison with the need. The cut-back on government grants for research is a serious issue. Dr. Morgenstern says, "In my view there is a marked and perceptible decline in the research capability

of Canadian engineering and scientific groups in Universities and the long term implications are serious. For the short term, in certain areas, we are unable to train enough engineers to a high level to meet the market demand. The general decline has a major long term implication with regard to our ability to accumulate know-how for the nation at large. Ultimately, as we deplete our natural resources we have to replace them with technical and managerial skills. In the long term we are going to have to live by our wits. I fear that unless there is a reversal in research funding attitudes to universities, the economic implications will become apparent too late."

Dr. Morgenstern says there has been excellent collaboration for the past thirty years between the geotechnical community in the University, business and government. Many problems of national interest have been solved and a technical capability generated that is exported around the world. He says, "our consultants in permafrost in the Edmonton and Calgary regions are possibly without rival in the Western world. People from every part of Canada and from the United States have attended special courses in permafrost at the University of Alberta. Several Edmonton firms with permafrost expertise have been consultants on the Alaska pipeline. The Russians are interested in drills developed by Mobile Auger and Research Limited of Edmonton. They were impressed with some of the helicopter transportable equipment developed by this company."

In 1978, the next International Permafrost Conference will be held in Edmonton which will deal with the scientific and engineering aspects of permafrost. While it is a major technical meeting, it will deal with environmental issues, municipal services and many aspects of Northern Engineering.

Dr. Morgenstern concedes that the University of Alberta

probably has the most intensive university permafrost engineering program in the country, and that Alberta Engineers have considerable expertise in this area. He cautions that you cannot take it for granted. He says, "if you don't stay up on technology and provide expert knowledge there are lots of people happy to move in and do it better or do it from elsewhere. It is important that the University, business and government develop a spirit that assumes that everybody is on the same side. Each of these sectors can and should contribute to each other. Each has special skills, special talents and they should re-inforce each other."

PIPELINE DECISIONS IN FALL OF 1977

The U. S. Government hopes that by October, 1977 it will have made a decision on the route of a proposed natural gas pipeline from Alaska's North Slope, the U. S. Senate Commerce Committee was told. U. S. and Canadian Governments had earlier been looking into Spring of 1977 as the time for the decision.

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David Crane

From: S.T.O.P. and A.I.M.
To: All Canadian Media
For: Monday, May 17, 1976

Subject: Joint Mackenzie Pipeline Brief

S.T.O.P. president Louise Swift appeared before the Berger Commission today and uncovered a file on a Great Canadian Oil Sands pipeline break containing evidence that subsequent clean-up operations violated fifteen (15) Sections of eight different Provincial and Federal Statutes. The Clean Air Act, The Clean Water Act, The Criminal Code of Canada, The Federal Fisheries Act, The Alberta Forest Act, The Alberta Litter Act, The Public Lands Act and the Wildlife Act of Alberta.

In a joint brief prepared by the Environmental group S.T.O.P. and A.I.M. (American Indian Movement), an 11,900 barrel oil spill by Great Canadian Oil Sands on the House River in 1974 was made public to demonstrate serious problems with respect to oil spills on ice.

The brief, backed up by signed affidavits, Government Documents, and an extensive correspondence file--accompanied by photos, slides and newspaper clippings--claimed that G.C.O.S. may have been negligent with respect to the operation of their pipeline and the clean-up procedures.

"This was the second oil spill in the company's history," she said. "The first--in 1970--spilled 14,000 barrels of oil into the Athabaska River." What she found alarming was that following the first break, the Provincial Government made five major recommendations--four of which were ignored by G.C.O.S.

"It appears that there is a clear cut case of negligence here," she said. "Yet Government has done nothing about it." She noted that G.C.O.S. might have avoided the spill in the first place if they had not exceeded their operating and construction safety specifications, and if they had conducted appropriate baseline studies before they built the pipeline..

Ms. Swift concluded her statement by saying that the evidence gathered implies that industry and government do not yet know how to deal with oil spills in the North.

"Laws that exist to protect the environment are inadequate," she said "they are either too weak or they are totally ignored by both government and industry."

S.T.O.P. and A.I.M. made a strong case that pipeline permits for the North not be issued until the oil companies can show that they are capable of cleaning up oil spills on ice.

"In this respect a minimum ten year moratorium should be declared before construction is considered," she said.

Mr. Bob Altimen, spokesman for the Edmonton Chapter of A.I.M. said that his group supported such a move. He also noted that: "A ten year moratorium would give the Dene Nation and the Canadian Government time to settle land claims." "This is essential," he said.

This is the first time in Alberta that Environmentalists and Native Groups have co-operated on such a major issue.

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A submission to the

MACKENZIE VALLEY PIPELINE INQUIRY
COMMISSIONER
MR. JUSTICE THOMAS R. BERGER

presenting resolutions of the

WESTERN CANADA SYNOD

LUTHERAN CHURCH IN AMERICA

9901 - 107 Street
Edmonton, Alberta

May 17, 1976

Mackenzie Valley Pipeline Inquiry
Commissioner
Mr. Justice Thomas R. Berger

Mr. Commissioner:

Preamble

1. Let us first indicate our appreciation to you and to the Federal Government that this matter of grave concern to the residents of the Northwest Territories and the Yukon, and to the residents of southern Canada, is being examined so thoroughly in these hearings; and that you have conducted the hearings in such a manner as to allow for a wide representation of the concerns of those who would be affected by the proposed Mackenzie Valley pipeline corridor development.

2. The views expressed in this brief do not pretend to be acquainted with all the technical details of the proposal. Our views arise from a deep concern about the effects of this development on the lives of human beings whose way of life is without a doubt going to be immeasurably affected. This concern is motivated by the values of the Christian faith which accentuate God's commandment to love your neighbours as yourself, and who identifies with the least powerful.

3. We in the south have witnessed what happened when the C.P.R. opened up the prairies to white settlement. The native people were driven from the land - - their way of life destroyed and their dignity taken from them. We who have benefitted from western settlement are ashamed and guilty at how the native people have been treated. We fear that the same thing might happen in the north. We fear that the historic relationship of the Inuit and Dene peoples to their land will be sacrificed for the relatively short term interests of an indulgent society.

4. We feel that the so-called development of the northern resources must not proceed in such a manner that the just interests of the original and majority occupants of the north are not dealt with, preserved and guaranteed.

5. The Western Canada Synod is a unit of one of the three major Lutheran Church bodies in Canada. It includes the provinces of Alberta and British Columbia, and the Yukon Territory. The synod has 13,000 adult members, 65 congregations and 70 ministers. In Edmonton there are six congregations totalling 3,500 members.

6. At our annual convention held in Stony Plain, Alberta, April 23 - 25, the matter of native land claims in the Mackenzie Valley was raised by our President, The Rev. Donald W. Sjoberg. In his annual report he stated:

I regard it as essential at this time that our synod speak on the vital issue of Northern development in support of Canadian North Native People's groups. It is our extravagant consumption of oil, gas and electricity which is pressing for the exploitation of northern reserves without adequate involvement of native people and due consideration of disastrous effects to the environment. Moreover, the panic to tap northern reserves does not seem necessary, at least for the next decade. Accordingly, I would recommend that our synod urge provincial and federal governments to delay planned development until aboriginal claims are adequately dealt with and until environmental questions related to the project are answered. I further suggest that we participate in the Berger hearings...to morally support the effort of Native People.

Native Land Settlement Prior to Development

7. This matter was responded to by the convention as a whole, and after thoughtful debate the following resolution was passed:

That the synod urge the Federal Government to equitably and promptly consider and settle Aboriginal claims in Federal Territories before major development projects like the Mackenzie Pipeline are initiated and that any commercial development in these territories be conducted in the future with due regard to the ecological, social and economic impact on residents of those territories.

8. The synod holds the position that the rights of the native peoples in the north can be protected only if their land claims are settled prior to major extraction and pipeline development. Prior settlement of land claims was achieved in Alaska before a pipeline was constructed. The status of Treaties 8 and 11 is already before the courts. There appears to be a strong case that these treaties were not executed in good faith by the representatives of the federal government in 1899 and 1921. The Inuit people have already made substantive and reasonable proposals for an agreement. The Dene declaration espouses some important principles for a settlement which recognizes that the Indian and Metis inhabitants of northern areas be allowed considerable self-determination, political security, economic independence and cultural survival.

9. The terms of an acceptable land settlement cannot simply parallel the patterns in the south -- patterns forced upon the Indian people when the rail lines and settlers were already at

the gates, patterns which limited the native people to inadequate reserves in a Canadian brand of apartheid, patterns which took away traditional means of livelihood and strangled the living culture of native people.

10. A just settlement in the north must give the native people adequate space for their own exclusive use, rights to fish, trap and hunt throughout the territories, a major political role in determining the ways any development occurs, a just royalty from development revenues, and strong sanctions to protect the environment.

11. To the white society, development typically means to extract and eventually use up natural resource deposits. An area is completely developed when all the resources are gone! The way of life of the native peoples attempts to use the land and its resources to sustain their life and guarantee their survival for generations. To native peoples the land and its resources, carefully taken care of, is their life and security. This sense of stewardship and management manifests an ability to decide upon the ways they want the land developed.

Participation in Project North

12. The synod meeting went on to pass a second resolution authorizing the Project North proposals as a study document for congregations.

That the "Statement of Evidence by Project North before the MacKenzie Valley Pipeline Inquiry" be distributed for study to all congregations and pastors in the synod.

The synod also called upon our parent body, the Lutheran Church in America -- Canada Section, to "enter into full participation in Project North." This action undergirds the endeavour of church bodies in Canada to work together in pressing the claims of justice for native peoples. This document calls for a moratorium on the Mackenzie development until the following objectives are achieved:

1. Just settlement of all Native land claims.
2. Native peoples programmes for regional economic development.
3. Adequate safeguards to deal with environmental problems like oil spills, blowouts, damage to the terrain and the living creatures.
4. Adequate programmes to regulate domestic consumption and export of energy resources.

The Project North brief submits that adequate natural gas resources are available to provide for Canada's needs during a moratorium. A moratorium would allow for the emergence of a representative political mechanism to maximize native participation in the process of determining both economic and social priorities in the north.

National Effort to Reduce Energy Usage

13. Lest we be accused of attempting to dictate the lives of northerners and not be cognizant of our own involvement, a third resolution was passed:

In light of the following statement from the 1975 Labour Day Message of the Canadian Catholic Conference:

"Until we as a society begin to change our own life styles based on wealth and comfort, until we begin to change the profit-oriented priorities of our industrial system, we will continue placing exorbitant demands on the limited supplies of energy in the North and end up exploiting the people of the North in order to get those resources."

Be it resolved that this synod call for a concerted national effort toward a reduction in the per capita use of all forms of energy in Canada, and toward the development of alternative sources of energy.

14. Our life style results in the consumption of more and more of less and less energy resources. A continual drive to discover and exploit more and more gas, oil and other energy reserves is only a short term solution to this crisis of values and life style. The exploration of the Mackenzie delta and other northern resources only postpones the major changes in life style which we will have to adopt. We believe it is inconsistent that most of the resources to be transported in the pipeline will be exported -- depleting resources needed for Canada's needs, and driving up the costs of domestic energy supplies.

15. Although the Mackenzie Valley development will likely have short term economic growth effects on Edmonton -- through increased commercial, service and production activity, and increased employment opportunities -- this development will also have deleterious side effects for both northerners and southerners. In the north the construction of the pipeline will provide jobs for the two or three years projected to build the pipeline. The native peoples will likely be offered the least skilled and lowest paid types of employment. When the pipeline is completed, even these job opportunities will evaporate, leaving an economic and cultural vacuum. The introduction of southern aspirations and life styles will continue to cause severe disturbance in the social, economic, educational and medical stability of the native communities.

16. In the south, the excessive demands on the economic resources -- manpower, capital, natural resources -- will drive up the costs for money, for labor, for housing, for services, for land. The housing costs in Edmonton are already among the highest in Canada. The economic consequences to the south have not been adequately determined. Economic growth does not always result

in a corresponding growth in the quality of life. There is sufficient question that the effects of the pipeline development will not be all beneficial to southern residents to cause us to want a second look to be taken.

17. Our own life styles must come under surveillance. Our energy consumption must be reduced. Other forms of energy use requires exploration. The federal government should be urged to provide incentives to research and test out the use of such alternative energy sources as wind and water power, solar energy, and methane from animal wastes. And increasing attention should be given to provide assistance and re-education to those whose employment would be threatened by changes in energy usage.

18. Mr. Commissioner, this brief has attempted to identify a deep concern for the effects of the proposed pipeline on the economic and social well-being of northern residents. It has communicated the official position of our church body: that the native land claims be settled before any development occurs; that the Inuit and Dene peoples take part in the decision-making process for any development; that they be beneficiaries of resource revenues; that their way of life be preserved through generous land settlements; and that the ecology of the north be safeguarded. Furthermore, this brief cautions southern residents concerning the likely effects of the pipeline. Most of the resources will go outside of Canada. The development will only delay our own critical life style priorities. The construction of the pipeline will contribute to inflation.

19. Our concern is not only economic. We raise the moral question whether we have the right to extend our way of life at the expense of original cultural patterns and life style of northern peoples. In a time of frenzied growth and consumption, the life style priorities of native peoples have become an increasingly attractive alternative. We have something to learn from their respect for the land and its resources. The meaning of the biblical term "to have dominion" also has the connotation "to care for." A higher order of justice calls us to care for the environment -- both natural and human -- which surrounds us.

20. Thus we urge you in your report to encourage the federal government to go slow in opening up the north before northern native peoples and southern whites alike have adequate time to assess and to respond to the many results which would be precipitated by the construction of a gas pipeline and energy corridor in the Mackenzie Valley.

On behalf of the Western Canada Synod of the Lutheran Church in America,

The Rev. Kenneth C. Kuhn
158C Students' Union Building
The University of Alberta
Edmonton, Alberta

Mrs. Inez Miller
Box 177
Winterburn
Alberta

Appendix 1: Resolutions of the Western Canada Synod
Re: Canadian Northern Development

Appendix 2: "A Statement of Evidence by Project
North before the Mackenzie Valley
Pipeline Inquiry."

WESTERN CANADA SYNOD RESOLUTION

RE: CANADIAN NORTHERN DEVELOPMENT

Adopted April 23-25, 1976

BE IT RESOLVED:

- (a) That the synod urge the Federal Government to equitably and promptly consider and settle Aboriginal claims in Federal Territories before major development projects like the MacKenzie Pipe Line are initiated and that any commercial development in these territories be conducted in the future with due regard to the ecological, social and economic impact on residents of those territories.
- (b) That the Synod President be requested to provide participation of synod representatives to support justice for the native peoples at the Berger hearings scheduled in Edmonton, Calgary and Vancouver.
- (c) That "The Statement of Evidence by Project North before the MacKenzie Valley Pipeline Inquiry" be distributed for study to all congregations and pastors in the Synod.
- (d) That the Western Canada Synod call upon the Lutheran Church - Canada Section to enter into full participation in Project North.

In light of the following statement from the 1975 Labour Day Message of the Canadian Catholic Conference:

"Until we as a society begin to change our own life styles based on wealth and comfort, until we begin to change the profit-oriented priorities of our industrial system, we will continue placing exorbitant demands on the limited supplies of energy in the North and end up exploiting the people of the North in order to get those resources."

Be it resolved that this synod call for a concerted national effort toward a reduction in the per capita use of all forms of energy in Canada, and toward the development of alternative sources of energy.

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SUBMISSION TO

THE MACKENZIE VALLEY PIPELINE INQUIRY

Edmonton, Alberta

May 17, 1976

by

CANADIAN UTILITIES LIMITED

Canadian Utilities Limited is a holding company and parent of Alberta's major electric and natural gas utilities, Alberta Power Limited, Canadian Western Natural Gas Company Limited and Northwestern Utilities Limited. Alberta Power Limited serves 347 communities in east-central and northern Alberta and parts of the Northwest Territories including Hay River and, through its subsidiary, The Yukon Electrical Company Limited, 18 communities in the Yukon. At year-end the company had 94,040 customers, up 5,218 from the previous year. Included were 20,415 farm customers, of whom 19,457 were members of 169 Rural Electrification Associations. In 1975 sales were 2,025 million kilowatt hours at a peak load of 445 megawatts.

The company's natural gas operations are conducted by two subsidiaries: Canadian Western Natural Gas Company Limited of Calgary, which serves the southern half of Alberta; and Northwestern Utilities Limited of Edmonton, which serves north-central Alberta and, through a subsidiary, Northland Utilities (B.C.) Limited, Dawson Creek and district in north-eastern British Columbia. Sales in 1975 were 255 billion cubic feet.

The history of electric service dates back to 1926 while gas service was first initiated in 1911 with the discovery of the Bow Island field in southern Alberta.

TO THE ENVIRONMENT AND NATIVE PEOPLE

Canada's Arctic resources must be developed and transported to the major population centers if Canada and its people are to continue to prosper. We believe it is now technically feasible to construct a natural gas pipeline from the Mackenzie Delta to eastern Canadian markets without dislocating the northern environment and its native people.

Whenever a man intrudes on nature it is inevitable that there will be changes to the environment. The containment and control of environmental dislocation is manageable both during and after the construction of a natural gas pipeline. Millions of dollars have been spent on scores of studies to develop methods for pipelining in the north. We are confident this Commission has the facts which will allow it to make a complete report on this matter.

We support fair treatment for the native people of the north bearing in mind that we should not assume that we can isolate the north from the 20th century indefinitely. The modernization of the north must continue to be managed so that we do not destroy the native culture and way of life without replacing them with something better. This, admittedly, will be a difficult task and one of the most important matters that this Commission must deal with.

GAS SUPPLY

The development of the natural gas industry in Canada has been based on gas supplies from Alberta. Evidence submitted to the National Energy Board has indicated that new gas supplies will be needed by the early 1980's if present gas markets are to be supplied. Gas supplies from Alberta can at best only be expected to maintain present exports from the province while also supplying the greatly increased petrochemical needs within the province.

Alberta has followed a policy of sharing its surplus energy resources with all Canadians. It should be pointed out that the extensive development of Alberta's energy resources has been accomplished with due consideration to the environment and the rights of the landowners in the province.

The north now is at the same threshold as Alberta was in the 1950's. If this opportunity is not taken which will allow the development of the north, it might not come again in this century. Development is continuing on alternate energy sources in the fields of solar energy, nuclear power, tidal power, geothermal energy and coal and bituminous sand developments. These energy sources may ultimately replace fossil fuels as a prime energy source. There is a time for everything and we believe the time is now at hand for the development of northern energy resources.

We urge your Commission to make an early finding under its terms of reference so that the long-term energy needs of Canada can be planned for with some degree of precision.

Respectfully submitted,
CANADIAN UTILITIES LIMITED

D. M. MURRAY

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SUBMISSION OF INLAND CEMENT INDUSTRIES LIMITED
AND OCEAN CEMENT LIMITED (HEREINAFTER REFERRED TO
AS "INLAND-OCEAN CEMENT") TO THE MACKENZIE VALLEY
PIPELINE INQUIRY AT EDMONTON, ALBERTA MAY 17th and
18th, 1976.

Inland-Ocean Cement hereby submits a Brief to the
MacKenzie Valley Pipeline Inquiry specifically with respect to its present
and future energy requirements and peripherally with respect to some of
the issues to be considered by the Inquiry.

TERMS OF REFERENCE

It is the understanding of Inland-Ocean Cement that
this Inquiry has not been commissioned by the Federal Government to compare
the feasibility of one pipeline to another or to usurp any other function
of the National Energy Board, but to investigate and to make recommendations
with respect to a Right of Way granted across Crown Lands for the purpose
of the proposed MacKenzie Valley Pipeline having regard to the social,
environmental and economic implications of construction and operation of
such pipeline on the inhabitants of the North. Inland-Ocean Cement does
not intend to submit learned argument with regard to the environmental
and cultural impact of the pipeline, particularly in view of the massive
volume of evidence already taken from inhabitants of the north and from
experts with regard to cultural and environmental influence. However,
Inland-Ocean Cement does hope that by outlining the present and future
requirements of the Company for natural gas, as well as indicating what
would be involved from a cost, technological and environmental viewpoint
in converting to an alternative fuel that this will assist the Inquiry
in making its recommendations to the Government of Canada as to the
timing of a pipeline and as to the guidelines to be established for the
construction and operation of the same in the north of Canada.

In the opinion of the Company, the purpose of this portion of the Inquiry is to assess the needs of the whole of Canada, including the North, for present and future sources of energy and hopefully to objectively weigh that need against the advantages and disadvantages of the construction and placement of such a pipeline in the North. This submission will contain some general comments, but will primarily be aimed at the needs of Inland-Ocean Cement itself in view of that fact this is the area in which the Company can speak with the most authority rather than in vague generalities.

CORPORATE STRUCTURE

Inland Cement Industries Limited and Ocean Cement Limited are related companies and subsidiaries of Genstar Limited. Inland Cement Industries Limited is a Federally Incorporated company, while Ocean Cement Limited is a British Columbia Incorporated company. Inland-Ocean Cement carries on business throughout Western Canada. Because of their related management and their involvement in the production and marketing of cement respectively, the two Companies have elected to submit the within Brief jointly as Inland-Ocean Cement.

There are three cement plants operating under the name of Inland Cement Industries Limited located at Edmonton, Regina and Winnipeg. Another plant owned by British Columbia Cement Company Limited, also a subsidiary of Genstar Limited and a sister company to Ocean Cement Limited, is located at Bamberton on Vancouver Island. More than 650 people are directly employed by Inland-Ocean Cement, and those employees and their families are directly dependent on the continued viable operation of the Company for their livelihood.

PRESENT CONSUMPTION OF NATURAL GAS

Inland Cement's current annual consumption of natural gas is approximately 6.1 billion cubic feet (b.c.f.) in total, at its three Prairie Province plants. To explain the magnitude of 6.1 b.c.f., this can be equated to the amount of gas consumed by 30,500 homes in the City of Edmonton in one year. Natural gas is used to fire the kilns during the manufacture of cement to temperatures of 2800°F. At these high temperatures, chemical reactions take place which transform the raw materials into cement clinker. The Ocean Cement plant on Vancouver Island is not using natural gas at the present time. As will be explained later, the Inland plant at Winnipeg, Manitoba uses primarily natural gas and some oil for fuel, but the natural gas shortages at the present time are crucial. Currently, the costs of fuel amount to over 30 percent of the total direct cost of manufacturing cement in these three Prairie Province plants. As available fuel reserves diminish, the cost of fuel will in all likelihood increase, and this ratio will consequently become higher.

FUTURE CONSUMPTION

Ocean Cement plans to phase out the older Bamberton plant and build a major cement plant in the metropolitan Vancouver area. The project is advancing rapidly and according to schedule with its first full year of operation projected for 1978. The plant is being designed to use natural gas as a fuel and the estimated annual fuel consumption will be 3.3 b.c.f.

In addition thereto, Inland is in the advanced stages of planning for a 50 percent expansion of the Edmonton plant which will increase fuel consumption by about 1.8 b.c.f. per year when installed and running at full capacity. This will bring the annual consumption of natural gas of the entire Inland-Ocean group of companies to approximately 11.2 b.c.f. within several years. This figure represents almost double the present consumption of natural gas by Inland-Ocean Cement, which is particularly significant in view of the fact that the new technology which is being developed for cement manufacturing will mean more efficient use of the natural gas being consumed.

The Winnipeg plant is not only in the market for future energy supplies, but is experiencing a current and acute shortage of natural gas. Traditionally, the manufacture of cement has been seasonal, but due to market requirements the Winnipeg plant is now required to operate about nine months of the year.

The Winnipeg plant was set up to use natural gas as the only source of fuel for its rotary kiln. Pursuant to an interruptible service agreement, the plant has received natural gas from the Greater Winnipeg Gas Company from mid-March to mid-November each year. In order to meet the increased market requirements, the Winnipeg plant has installed a stand-by oil system to provide for winter operations, but the use of oil instead of natural gas involves substantial additional operating costs. The possibility of a better working arrangement between the Winnipeg plant and greater Winnipeg Gas Company is very slim unless new and substantial sources of natural gas can be utilized. On the contrary, in view of the fact that gas is not available

for the current new housing starts in Manitoba and bearing in mind the normal growth in the residential and institutional sectors of the community, it is quite likely that there will be corresponding reductions in the amount of natural gas available to the commercial and industrial sectors. Such action will require increased use of oil or other alternative fuel and will result in increased operational costs to the Company, which is normally passed on to the customer.

As noted above, each Inland-Ocean plant is projected for expansion of its operations either due to the normal pressure of the market, or planned capital expansion or both in an attempt to meet the growing demand for cement as a basic and economical building product. In view of the fact that it is the long range intention of the Inland-Ocean group to continue in the cement industry, the demand for natural gas is projected to continue in the future. Annual natural gas demands will fluctuate with the cement market conditions, however, an estimate of the annual compound growth rate in the economy of 3 percent at each of the plants is not unrealistic. At present, the plants in British Columbia and Alberta have sufficient sources of natural gas to meet their needs, but the ability to meet the present needs will diminish within the next few years. On the other hand, the Winnipeg plant is already seriously short of natural gas, a situation which can only deteriorate in view of the increasing demands for natural gas.

ALTERNATE FUEL AVAILABILITY

The cement industry can use alternate fuel in the manufacture of cement, primarily oil or coal. However, it is becoming increasingly apparent that Canada's domestic production of oil will be hard-pressed to meet normal oil demand let alone handle any shift in energy consumption from natural gas to oil. Coal deposits must be explored, developed and brought into production at economical values per B.T.U. content. This means that various levels of Government will have to establish policies for the orderly development of available coal reserves. At present, there is not a sufficient quantity of high grade coal (which has not been allocated to an existing market) to meet the needs of Inland-Ocean Cement.

The overall diminishing fuel picture cannot hope to meet the growing demand for energy in the future.

ECONOMICS OF USING AN ALTERNATIVE FUEL

Even if the following assumptions could be made:

- a). that alternate fuels are available to allow for a shift
in energy consumption from natural gas;
and
- b). that the price of fuel would be equivalent on a BTU-content
basis,

(neither assumption can be substantiated at present) the increased capital and operating costs associated with converting the Inland-Ocean Cement plants would be significant. For example, the initial capital costs to convert the four Western Canadian plants to coal systems would be approximately \$12,000,000.00. Operating costs

would be higher with a coal system because of the handling and coal processing required.

If Inland-Ocean Cement were required to convert to coal or some alternate fuel, the increased capital and operating costs would have to be passed on to the consumer. Since cement is a basic building material, this would result in increased prices in almost every area of construction. The increase would quite naturally find its way to the individual home owner and consumer.

ENVIRONMENTAL CONSIDERATIONS

It is acknowledged that there should be an orderly development of all of Canada's energy resources, whether they be gas, oil, coal, nuclear or hydro power, in order that there be as little damage to the environment as practically possible. While Inland-Ocean does not hold itself out to have substantial expertise in dealing with the environmental considerations, it appears that the construction of a pipeline would have an impact on the environment of much smaller magnitude than most other energy sources. There are, at present, a large number of pipelines crossing this country which do not appear to have substantially affected the environment or the consequent uses of the lands which they cross. Surely in the light of present technology, a pipeline can be constructed through the North country with a minimum impact on the environment.

Assuming that the capital cost factor and other disadvantages of coal could be resolved, it could be used as a fuel, but it would involve the more costly establishment of adequate conservation and reclamation programs for the land.

It is accordingly hoped that the development of Canada's north and the construction of a pipeline will not be slowed or stagnated on the environmental issue alone.

NATIVE LAND CLAIMS

Inland-Ocean Cement, like others, is aware of the land claims of the natives as well as their concern to preserve their traditional way of life. However, the inhabitants of the North represent approximately 20,000 people whereas the current and future energy needs will affect the whole population of Canada which is in excess of 20,000,000 people. It is our submission that the construction of the pipeline per se should not unduly affect or disrupt the lives of the northern natives and that the construction can indeed and should be carried on in such a way that it will not unduly disturb their way of life or undermine their negotiations with the Federal Government with regard to the land claims. In view of the past and present experience in other areas of this Country, it would appear that once the pipeline has been laid the inhabitants can continue using the land in substantially the same manner as they have done in the past.

CONCLUSION

In view of the fact that this Inquiry could, through its recommendations to the Federal Government, have a substantial impact on the timing of a pipeline or could indeed recommend guidelines which would make a pipeline unfeasible in the near future, it is the intention of Inland-Ocean Cement to put before the Board the urgent and imminent need of the Company specifically and the whole of Canada in general for a substantial source of natural gas.

We understand the concern of this Inquiry that the individual rights and needs of the inhabitants of the north may be subordinated to the demands of large and vocal pressure groups or corporate bodies. In answer to this, we would reiterate our submission that the Inland-Ocean group of companies employ 650 persons and in view of this fact approximately 2,500 people are directly dependent upon the Company for their living. This does not include countless others in construction and related industries who are indirectly dependent upon the cement industry for their livelihood, nor does this take into consideration the various consumers or the ultimate consumer who are dependent in so many ways upon cement as a basic and economical building material. In a time when energy is projected to be in short supply, concrete construction for high rise structures, has the added advantage of fuel conservation in that it improves the efficient use of fuel in an enclosed structure.

We would further submit that the Inland-Ocean group of companies not only supply the cement markets of Western Canada but their people actively participate in the communities in which they are placed and accordingly the group of companies have a right to exist and to continue to exist.

It is our final submission that if the Country's energy needs cannot be met within the very near future, that this will cause undue hardships to many individuals within this country and accordingly we would respectfully request that this Inquiry take into consideration the needs of all Canadians as well as the inhabitants of the North.

Inland-Ocean Cement would like to reserve to itself the right to introduce further evidence, make oral submissions, cross examine and otherwise participate in this Inquiry in such manner as Counsel may advise and this Inquiry may permit.

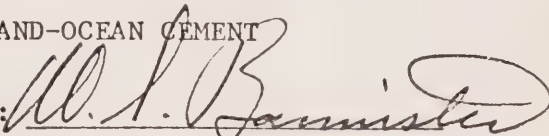
Communications with respect to this submission
should be addressed to:

Valerie A. Chatten
1070 Alberta Place Building
1520 - 4th Street S.W.
Calgary, Alberta T2R 1H5

All of which is respectively submitted

INLAND-OCEAN CEMENT

PER:

A handwritten signature in dark ink, appearing to read "W. S. Bannister", written over a horizontal line.

W. S. BANNISTER

President And Chief Executive Officer
Inland Cement Industries Limited

ON DEVELOPMENT AND THE MACKENZIE VALLEY PIPELINE

Resolution was passed at the 54th annual Convention Catholic Women's League, in the Archdiocese of Edmonton, on May 1, 1976, in Edmonton, Alberta.

AS the question of the MacKenzie Valley Pipeline has one of grave concern to members of the Catholic Women's League in the Archdiocese of Edmonton,

AND WHEREAS the 4,200 members of the Catholic Women's League, in the Archdiocese of Edmonton, wish to re-affirm their support to the stand taken by the Canadian Bishops in their Labor Day message of September, 1975;

BE IT RESOLVED that the Catholic Women's League in the Archdiocese of Edmonton present the following BRIEF to the Berger Commission, when this Commission comes to Edmonton, this BRIEF also be presented to Hon. Pierre Elliott Trudeau, Prime Minister of Canada; to Hon. Judd Buchanan, Minister of Indian Affairs and Northern Development; and to Hon. Jeanne St. Pierre, Minister of Energy, Mines and Technical Surveys.

After careful study of the question of a pipeline down the Mackenzie River Valley members of the Catholic Women's League in the Archdiocese of Edmonton have concluded that such a pipeline would do nothing but harm to the Native People who make their home along the Mackenzie River.

The Mackenzie River is the Lifeline of the Native People who live their home near its shores. It is both their Communication and Transportation system. A "Right of Way" for a pipeline in this area would seriously disrupt at least ten or twelve Native villages. It would also seriously damage or destroy the ecology in the valley and would either disrupt or destroy the hunting and fishing, on both of which, the Native People rely for a substantial portion of their livelihood.

We believe that the 250,000 square miles of land, to which the Inuit People are seeking ownership, is in no way extreme in a land that requires an average of ten square miles of Arctic Tundra to support the life of one caribou, and where a tree, in many areas, is almost a non-renewable. We want to lend our support, also, to the Dene People in their claim to 450,000 square miles of land in the Northwest Territories. The Native people have said that they do not wish to stop development in the North altogether, but would like to be in control of development. They just do not wish to see the land, which they have always considered their own, overrun with men and machinery, their hunting and fishing destroyed forever.

With regard to the off-shore drilling taking place in the Beaufort Sea, we, along with the Native people, are concerned about the seriousness of the situation in the area of oil-drilling. We know that the technology is not available at this time to secure the safety of drilling under conditions such as the experience here. We believe that it is in the best interest of the people of Canada to assure that our Native people receive justice if we ourselves would seek justice. We contend that by delaying development of the North, for some years to come, we are in some measure assuring the preservation of some of our natural resources for future generations.

The Inuit and Dene people do not wish to be integrated into White society, but to maintain their own identity, in the Canadian mosaic, and should be permitted to do so. If, in the future, a pipeline becomes imperative a less damaging route should be chosen and no development should be initiated in the North without the full consent of the Native people, and after a full and just settlement of land claims is reached.

ourselves would seek justice. We contend that by delaying development of the North, for some years to come, we are in some measure assuring the preservation of some of our natural resources for future generations.

The Inuit and Dene people do not wish to be integrated into White society, but to maintain their own identity, in the Canadian mosaic, and should be permitted to do so. If, in the future, a pipeline becomes imperative a less damaging route should be chosen and no development should be initiated in the North without the full consent of the Native people, and after a full and just settlement of land claims is reached.

Brief submitted to: The Mackenzie Valley Pipeline Inquiry.
at: Edmonton Alta.
May 17 - 18, 1976

Submitted by: Sara Johnson
Box 115 , Spruce Grove, Alta.

Occupation: Town Councillor, sign writer, housewife.

On behalf of: Herself.

Gentlemen:

There are three points which I wish to discuss:

1. Native land rights.
2. Employment.
3. Energy resources.

In discussing native land rights in the North, it must be kept in mind that the society of which I am a part is one based on the possession of the right pieces of paper, and that all other possession follows on that pre-condition: That you have the right piece of paper.

During the thousands of years during which the society of the northern natives has existed, it was not possessed of paper nor possessed by it, but was run on a basis of need and occupancy.

The land was theirs because they were there, and they used it's resources according to their needs. To assume that they do not own the land because they do not have the right pieces of paper, is ridiculous.

Because they have been willing to share the land's use with us , is no reason for us to claim it is now ours and that they shall be beggars in their own place. We have enough tribal guilt on our conscience already without adding this to the load.

Employment.

A great deal seems to have been said about the prospects of long term salaried employment for the people of the north if the pipeline is built.

Allow me to cite a few of the facts of life concerning working for oil companies. I think I am safe in saying they will apply to the pipeline companies, as well, since these seem to be the spawn of the oil companies.

After working for a seismic company for several years, my husband went to work in the production end of oil in Drayton Valley, from 1955 to 1957. He was released from his job in seismic work because it was then felt that all of Alberta had been covered as far as exploration was concerned.

Although the pay seemed high at the time, we ended eighteen months after he began, eighteen hundred dollars poorer. The prices that accompany any oil development always outrun the wages. The jobs always seem to entail the acquisition of debt. To buy a trailer, to buy a car, to repair them; etc.

Although great stress was put on the matter of ~~job~~^{job} security, and other forms of security, I could see that one security was conspicuously lacking: That you wouldn't get fired the minute you were costing the company five cents.

Through the years since then, I have ^{seen} the people who followed the carrot of company security for 10, 15, 25 and more years, and then having committed the indiscretion of becoming over fifty years old, have found themselves discharged from the company on a trumped up excuse, to avoid having to pay them a pension a few years later. They then found that so much of that security, that they had sold their souls for, was at the discretion of the company, that they dared not protest their firings publicly in case they lost everything. Never did I hear of any level of government ever lifting one finger to help them, or to do anything whatever to stop such practises by the oil companies.

If oil companies can treat the citizens of Alberta in this fashion with impunity, what chance do you think the people of the north have? Their chances of being hired in the first place seem small, and of ever being promoted invisible, if the record of our own Indians is any guide to go by.

There are other costs to be considered before going to work for these companies, which should not be overlooked:

Canadians who work for oil companies must always give their loyalty to the company first, and any loyalty to their country, their fellow Canadians or themselves, occurs only if it does not conflict with their company loyalty. It is one of the conditions of their employment, and it was one of the chief reasons for my determination that we would not continue to be dependent on an oil company for our living.

I am much more concerned ~~of the~~ about the destructive effect of these policies of disloyalty to our national life than I am about the effect of the pipeline on the tundra.

It's effect in Alberta is easily seen. Where else can you find so many people who are more loyal to a foreign country than they are to their own? Where else can you find news papers who give unquestioning acceptance to the tenet: "If it's American it's better and if it's Canadian it's worse"? Or a mayor who would jeer at the idea that the people of the North have a culture, or that it could be of any value? When I see such mindless attitudes I wonder if we are not the dumbest people in the world.

To the people of the north I say: Take care. The winds of the Arctic are not more cold than an oil executives heart, and better be at the mercy of shifting ice packs and drifting caribou herds than the shifting sands of oil company policies. The moon and the stars will show you more respect than the society that lies in wait for you along the pipeline.

Energy Resources.

Everything begins with right thinking and the thinking that seems to have been applied to the pipeline seems to have started in the middle instead of at the beginning.

Why are we in such haste to build it? Who needs it? Canada or the U.S.A. ? When we have used up all our gas and oil resources, what then?

The gas and oil have been in the ground for millions of years and their value will only increase as long as it stays there. Would it not make more sense to see how long we can make our resources last, rather than see how fast we can use them up?

We are like the squandering, profligate children of the newly rich, determined to spend as fast as possible, to indulge every fashionable whim, and to leave not so much as the crumbs under the table for the unfortunate generations that will come after us.

With no policies formed to change the direction of our habits we are getting set to ^{sell off} ~~spend~~ another chunk of the family ~~fortune~~ inheritance before any system has been devised to use the returns with more sense and economy than we have ever applied to the last fortune we threw away.

e.g. More and more aeroplanes fill the skies and fewer and fewer trains run although a train is a far more economical user of energy than planes or high way vehicles, for example.

Having sold off our near at hand gas and oil at bargain prices, we are now rushing to do the same with the resources of the north. And what will

our neighbors give us in return for being so obliging to their demands?

In 1956 when the oil rigs dotted the countryside and the oil companies knew they would make millions of dollars out of Drayton Valley, I was a member of the Women's Institute committee who started the first community library in that town.

We asked the oil and service companies there for donations to buy books for the library. The only thing we received ^{while I was there.} was a second hand oil stove valued at \$15. from Molil Oil.

A few miles from Spruce Grove is a gas plant that makes propane gas. During the sixteen years we have lived in Spruce Grove I have never known them to give anything whatever to the community, nor have I ever found anyone else who knows of such a thing happening. The smallest grocery store who gives two heads of lettuce to a supper, has done more for the community than a company that is drainigg the unreplacable resources out from under our feet.

Until we can begin to appreciate the value of what we have, I say forget about the pipeline. It will only make us poorer.

C-11

A SUBMISSION TO THE MACKENZIE VALLEY PIPELINE INQUIRY
BY THE EDMONTON BRANCH OF THE VOICE OF WOMEN

The Voice of Women is a Canadian organization founded in 1961 in response to international events which threatened to lead to war. Our concern then as now is with the family of man. In March 1970, the Voice of Women endorsed a resolution of the Canadian Council of UNESCO calling for a partial moratorium on drilling and exploratory activity in the north to allow time for research and experimentation which was then lacking.

Since the intervening years have not resolved these issues satisfactorily, the position of the Voice of Women is that a moratorium on construction of a pipeline now be put in place until it can be shown that proceeding with it will not have adverse social or environmental effects and that the supply of energy thus obtained be used primarily for the industrial development of Canada.

We are not in a position to speak of the social consequences of the pipeline to communities in the North. We would only observe that the present status of the Plains Indian in 1976, exactly 100 years after the signing of Treaties Nos. 6 and 7, is not such that we should lightly undertake the destruction of yet another society. Nor are we in a position to discuss the environmental dangers inherent in the pipeline.

Nevertheless the proposed pipeline is ostensibly designed for our benefit, and as southern Canadians we feel we must register our concerns. The most immediate consequence of construction which would be felt in Edmonton would be the overheating of an economy already running full out. The presently inadequate housing supply would be even more seriously strained. The costs the community is obliged to pay will outlast the boom period of construction,

and will likely outlast the supply of gas itself. Social services are paid for over a period of many years. For example, in Edmonton today there is only one library which is fully paid for. It opened in 1913.

There are other social costs which would come in the wake of construction, as for instance the increased crime and prostitution^{which} Fairbanks witnessed with the Alaska pipeline. Such costs are not charged to the pipeline and must be borne by the community as a whole over many years.

As Canadians we question the need for the pipeline now, as such a pipeline would only serve to lock Canada further into a continental energy system. The need for natural gas and oil is based on the assumption we will continue to export a large portion of our production to the United States. It is not now needed in Canada. According to the Canadian Petroleum Association, proven reserves of natural gas were 52.9 trillion cu. ft., all but 1.6 trillion cu. ft. of this from western Canada. This meant that at 1972 levels of output, proven natural gas reserves stood at a 25 year supply¹.

Clearly the demand for this energy is not in Canada but in the United States where past exports of natural gas have enhanced American industrial development rather than Canadian.

In addition to not needing the gas supply now, proceeding with ~~it~~ the pipeline would seriously hamper Canada's industrial development. If Canadian capital were to be used to finance it, there would be less money available for the development of other industries which are more labour intensive. It is estimated that there would only be 150-200 permanent jobs available on the pipeline once it is completed.³

¹Canada, Dept. Energy, Mines and Resources report, An Energy Policy for Canada * Phase I (1973) v. 1, p. 8.

³~~Op. cit., v. 1, p. 89.~~

If foreign capital were used to develop the pipeline, there would still be an increased demand for Canadian currency which would drive up the value of the Canadian dollar. It is estimated that if the Canadian dollar were to rise to \$1.05 U.S., Canada would lose \$715 million per year in trade with that country. If the Canadian dollar rose to \$1.10 U.S., the loss would be \$1.6 billion per year.⁴

It is not surprising that a document prepared by the Federal Department of Finance in 1973 should conclude that, "the construction and operation of a northern gas pipeline, even if it were to carry a substantial proportion of Canadian gas, would likely be a mixed blessing to Canada."⁵

In view of the many uncertainties involved in the building of the Mackenzie Valley pipeline, it is the submission of the Voice of Women that a moratorium be put into effect until such time that proceeding with it can be done at an acceptable social, economic, and environmental cost, with the long-term interest of all Canadians foremost in mind.

³James Laxer, "Canadian Manufacturing and U.S. Trade Policy" in *Canadian Manufacturing and U.S. Trade Policy* (Toronto: McClelland & Stewart)

4. *Op. cit.* p.145.

5. Federal Dept of Finance position paper published by the Canadian Forum, under the title, "The Export Rip-off: the Civil Service Report," June-July, 1973.

Resolution passed by Canadian Commission For UNESCO
Twelfth Annual Meeting, Winnipeg, March 5-7 1970
(Endorsed by Voice of Women National Council
Regina - March 20-22nd)

WHEREAS it is evident that there is no competence anywhere on earth at this time to deal effectively with the consequences of oil spills in the Arctic seas or tundra, and

WHEREAS accidents are inevitable and, in the north, will have unprecedented and extremely grave ecological consequences, and

WHEREAS this Unesco Conference has been repeatedly warned that unless united and firm action is taken at all levels against pollution, the world is doomed, and

WHEREAS a statement from this Conference will carry great weight with both the government and the public:

BE IT RESOLVED that this Conference request the Federal Government to take the necessary action immediately to allow time for research and experimentation to provide information and technology which are presently lacking and

to delay the sudden and uncontrolled escalation in oil exploration * in Canada's north, which threatens the renewable resources of the north and the life-support system of its native people, and

to spend enough money on relevant research so that the information required for safe oil exploration and shipment will be available by the end of 1974, and

to take the position that, if it is shown that these operations cannot be undertaken even then without undue risk, they will not be allowed.

*

*Voice of Women amended this resolution to read "exploration, production and transportation" and added a further clause to read:

*to deny access at this time to the passage of the Manhattan oil tanker through Canadian Arctic waters, or the establishment of the transportation of oil from this area by way of pipe-lines.

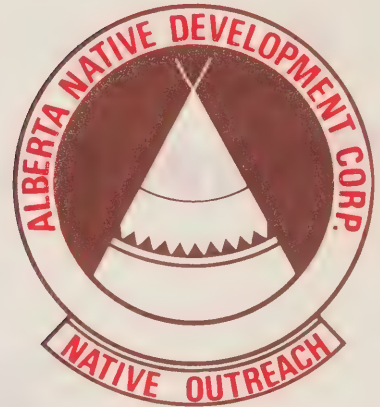
ALBERTA NATIVE DEVELOPMENT CORPORATION

Native Outreach



NATIVE PEOPLE HELPING NATIVE PEOPLE

WHAT IS NATIVE OUTREACH?



IF YOU NEED HELP, PHONE:

482-5521 - Edmonton
10172 - 117 Street

245-4374 - Calgary
1232 - 17 Ave., S.W.

743-2258
FORT McMURRAY

523-3232
HIGH PRAIRIE

926-3635
HIGH LEVEL

532-3904
GRANDE PRAIRIE

623-4438
LAC LA BICHE

826-2977
BONNYVILLE

865-4302
HINTON

778-6114
Whitecourt

624-4484

Peace River

NATIVE OUTREACH CAN:

- help you find a job. We are an employment agency that works for you without charge or cost.
- help you apply for a training program that you may be interested in.
- help you find a place to stay
- help you deal with other agencies by referrals and providing personal contact with the agency.
- help you in applying for Canada Manpower employment programs such as L.I.P. L.E.A.P., O.F.Y., or any provincial program.

NATIVE OUTREACH IS:

- funded by Canada Manpower and works closely and co-operatively with them to provide good service.
- sponsored by the Alberta Native Development Corporation and deals with all people including treaty, Metis, and non - status Indians, or anyone who requests our service.

OUTREACH COUNSELLORS:

- all speak a native language familiar to their area, and are native people who know their culture.
- understand the work situation and can assist you after you have a job by providing contact with your employer, if necessary.



OUTREACH COUNSELLORS:

- can meet you at the bus depot or the train station or at the airport if you are arriving in the city — if you let us know you are coming. Phone your closest Outreach office and let them know.

OUR OBJECTIVES ARE

1. to place Native people in good employment and to enhance the Manpower service by using the services of Canada Manpower and any other related departments.
2. to promote the hiring of Native people into all sectors of employment but especially into agencies that deal largely with Native people.
3. to promote the development of Native people to become self-sustaining citizens.



NOTES

ALB



NATIVE OUTREACH

PRESENTATION

TO

THE

BERGER INQUIRY

May 17, 1976
Monday

* * * * *

Background Information And Rationale

Native Outreach began in 1973 offering assistance to Native people who were seeking employment. "Native People Helping Native People".

Our Objectives Are:

1. To place Native people in good employment and to enhance the Manpower service by using the services of Canada Manpower and any other related departments.
2. To promote the hiring of Native people into all sectors of employment but especially into agencies that deal largely with Native people.
3. To promote the development of Native people to become self-sustaining citizens.

Native Outreach is sponsored by the Alberta Native Development Corporation equally represented by the Indian Association of Alberta and the Metis Association of Alberta. As well, Native Outreach has a very active Advisory Committee composed of:

- 1) Bill Loeppkey, Senior Operations Officer
Manpower & Immigration
Edmonton
- 2) Adolf Manz, Special Programs
Canada Manpower, Edmonton
- 3) Mike Woodward, Executive Director
Metis Association Of Alberta
- 4) Don Noble, Provincial Manpower &
Advanced Education
Edmonton
- 5) John Rayson
Supervisor
Employment & Relocation
Indian Affairs
Edmonton
- 6) Stan Daniels, President
Alberta Native Development Corporation
Edmonton
- 7) Emile Gilmour, -Special Programs
Canada Manpower
Edmonton
- 8) Indian Association Of Alberta
Edmonton
- 9) Eugene Mitchell, Executive Secretary
Alberta Federation Of Labour
Edmonton
- 10) Zella Harris
Native Secretariat
- 11) Orville Buffie, Chief Of Special Programs
Manpower & Immigration
Winnipeg, Manitoba

Our Terms Of Reference are as follows:

NATIVE OUTREACH

"Terms of Reference"

The project agrees to carry out the following duties within CMC areas in Alberta:

- inform persons of native ancestry of Manpower programmes and services
- inform the Canada Manpower Centre of the employment training and mobility needs of native workers in these areas.
- conduct job counselling interviews, undertake the registration with native workers and refer to the Canada Manpower Centre candidates into employment, training mobility and other Manpower programmes.
- in co-ordination with officers of CMC, canvass employers in the areas for the purpose of filling existing vacancies and to promote the hiring of native workers.
- provide supportive counselling to families of native workers, particularly to those who relocate and direct them to available community resources as appropriate.
- provide follow-up counselling with native workers who are placed in employment.
- help native groups to develop and carry out projects within the framework of federal and provincial programs such as Opportunities for Youth and Local Initiatives.
- work in close co-operation with other federal, provincial and municipal departments and voluntary agencies involved in improving the standard of living in the area.
- motivate native workers to call on social services or any other community services for help in overcoming obstacles that keep this from entering the labour market.
- provide a reception-counselling service to native people arriving in the city and direct them to the appropriate agency.
- provide an interpreting-counselling service to native people who require this service.

Native Outreach Advisory Committee Members Cont'd

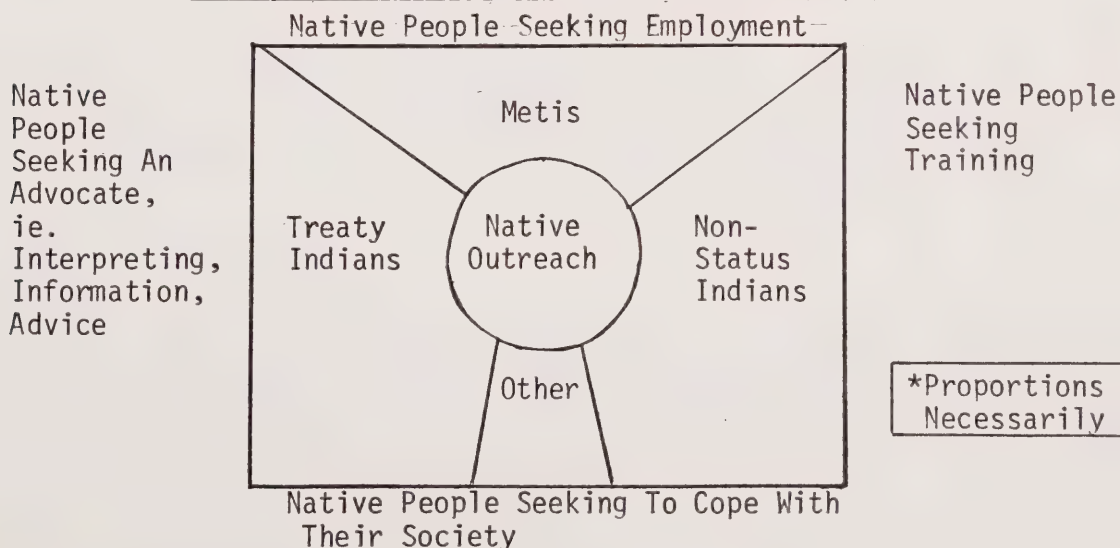
- 12) Mel Finlay
Social Services & Community Health
Edmonton
- 13) Garth Leask & Maurice L'Hirondelle
Canadian Bechtel Limited
Fort McMurray, Alberta

Advisory Committee meetings are held in all communities and locations in which Native Outreach has a Job Counsellor. During the last three years, thirty-two meetings have been held in the areas involving local Native people, government agencies, town representatives and company representatives.

The objective of these meetings was to identify employment problems, bring about solutions by means of co-operation and to better the service provided by Native Outreach and Canada Manpower.

Native Outreach involves itself with almost all unions in making direct referrals to them, clearing up any misunderstandings that come up in the course of their contacts. The main thrust has been in the Fort McMurray area. We have been, through the course of developing our program, making more formal contact with companies to involve them in our objectives and this has been positive.

Perimeters Of Native Outreach Presentation



Native Outreach exists because of a need to fill a gap in services to Native people. In this province, Native Outreach exists as an extension to the services provided by Canada Manpower - offering personal contact in the Native language in concerns relating to employment and the need for employment, interpreting, follow-up and job counselling.

Organizational chart and the location of offices are included for your information.

Listed herein are the areas of involvement appropriate to achieve our objectives:

Recruitment

Native Outreach is involved and should continue to recruit and refer to companies and government agencies likely candidates with the potential to be trained and for filling of existing job vacancies. In 1975, we referred 2,481 people to jobs, did actual placements of 1,882 Native people and dealt with either in training, interviews and/or counselling, a total of 13,977 people in the province.

Skill Assessment

In co-operation with the existing skill testing facilities of the Canada Manpower-Centre plus the testing facilities of a company and the particular knowledge of the Native Job Counsellor, the assessment should take place where a company already has a battery of tests, then the input of the Native Job Counsellor is particularly essential because of the cultural bias demonstrated by all tests and the different perspective of any particular company.

We would see Native Job Counsellors involved in assisting in determining what the balance is between company employment objectives and the special needs of the Native people on his way to adjusting. In other words we wish to see a flexible and innovative approach taken by the company to recruit and assess the potential employee.

Job Delivery System

As a recruiting and dispatching agency, Native Outreach would like to see job requests made direct to the Outreach office re: any particular job and from there the responsibility would be with the Native Job Counsellor to deliver with the co-operation of the CMC and the company.

Quotas And Goals (Monitoring)

Our organization could and should become a very important component of the developing of goals, quotas and plans for recruitment, skill assessment, etc. To date, companies have been reluctant to set goals or quotas, ie. Syncrude, for fear as they say that:

- 1) they will not be able to meet these goals and that the employees will be "tokens" in the worst sense, where quantity, not quality is paramount, and
- 2) Native Outreach could not guarantee a certain number of Native people.

In response to this argument, we submit that a plan must be set up with firm objectives and goals and that an independent monitoring body be set up to oversee activities. Our organization would not be involved in monitoring except for input we would have to the monitoring committee.

Counselling For Native Employees

From our experience on the problems that Native workers encounter, in making the initial entry into the labour force, their contact with the unions, their contact with the employer, on the job site disputes and after hours problems, recreation and need to return home all present a need for a Job Counsellor who is diplomatic, realistic and capable of working with the Native employee and front-line supervisors.

Native Outreach has encountered cases in which an order is not clear, where there is difficulty performing certain tasks, ie. a person afraid of heights but also afraid to tell his supervisor for fear of getting fired. Our Counsellors have been able to intervene in a very useful and constructive manner so that the person does not lose his or her job.

Native Outreach believes that it is necessary for our counsellor to make themselves available to people on the job site - that particular times must be arranged to meet with employees, ie. during noon hour lunch break to communicate with and alleviate minor problems before they become big enough to cause the person to quit or be fired. We have found that there needs to be someone within calling distance who will respond in a very practical and common sense way to the needs of the Native employee.

Counselling For Native Employees cont'd

Even after the fact that you must keep up your union dues have been stressed time and time again, we find that people, Native employees still don't, in general, keep up their dues. This can be understood in light of "no experience with this kind of commitment that's required" but also that even in light of high wages, the knowledge of how to make a money order or to make regular payments of bills, ie. rent bills. In other words, the coping with ordinary living requirements in an industrial setting takes a slow and repetitive type of learning by experience.

One of the major difficulties that any person has in attaining and retaining work is the ability to take orders. In this situation, a person loses, to a great extent, the right to make meaningful decisions pertaining to his life and his own activities. This meaninglessness is one of the important considerations in our job counselling and, therefore, what we try to do is bring about some attention to a mass of directives, deadlines and heavy production considerations.

Native Outreach has had excellent co-operation with the Labourers Union Local 92 and with Jack Dyck, the Business Manager. Together, we have undertaken, in co-operation with training institutions such as Keyano College, Lac La Biche and with due credit being given to the provincial government-Dept. of Advanced Education & Manpower, the federal department of Manpower and Immigration first in providing training monies and second in funding Native Outreach to identify problems and get out in the field to undertake ways of solving the problems.

Further experience we have gained indicates that:

Skill Assessment should be done within the school system. Skills are being brought to the fore to an extent now in the vocational schools but in the Native communities where the skill has been identified and even the training completed, the wait between training demands and training creates many problems for the Native client and for his or her counsellor. Pre-Job training is and should be an important part of the training package. Union responsibility, camp life, recreation, budgeting, etc.

Training In Administrative And Clerical Skills

We see many young people being trained in these kind of courses in AVC Lac La Biche, Grouard, AVC Edmonton, Keyano College, etc. but we have not seen any significant employment as a result. Even though we have presented for consideration many qualified trained individuals are not getting hired.

Presentation
Berger Inquiry
Commission
May 17, 1976

- 7 -

Native Counsellors

Throughout this presentation, we have taken for granted the idea that Native people are best qualified to deal with Native people. Given relevant training on construction, with companies and Canada Manpower and supportive training from Nechi Institute - then they are the logical and best source of counselling.

We have found that Native personnel working within companies are essential and provide excellent contact and liaison. However, they do not have the time to pay enough attention to individuals. Also, and I believe, most important, a Native Outreach counsellor's loyalties are to the people that he or she serves, not necessarily the company.

Dispatching

Our experience in dispatching Native people to the job is that it is basically okay because of our ability to get out and find people. All Native Job Counsellors have cars and are required to travel on request. We have been able to expedite job orders and substitute when necessary. Usually, good communication takes place but there have been several instances where the person called, has been out on their trapline.

Conclusion

As a Native employment agency, we hope that we have pointed out some of the requirements for successful placement into jobs within a heavy construction site.

We offer no other solution to the problem of absenteeism except counselling through our service, referral to alcoholic programs and alternate recreational activities planned in conjunction with the Native worker himself or herself and home visits with permission. A heavy construction and boom town atmosphere is never conducive to stability and unfortunately the Native employee working in this kind of setting suffers to a greater and more disastrous extent, the upheaval and misfortunes of this situation. The Native person is generally ill-equipped to win the battle of coming out on top - exploiters are too anxious to relieve him of his new found wealth or his land.

While Native Outreach has presented our job placement experiences, we strongly urge the Berger Inquiry to present a report recommending that the Land Claims be settled first and that the actual construction of the pipeline be delayed at least ten years. This, hopefully, will allow for a gradual development of the Native people in terms of real education, training and an ability to cope with the society they are faced with. Categorically, we oppose the pipeline because it will deplete our natural resources. However, we have established our ability as a Native service agency to work with the Native people who desire this kind of opportunity and if the unfortunate decision would be made in favour of the construction of the pipeline, we are already prepared to work towards the maximization of opportunity and benefit directed towards the Native people.

We point out the marked improvement in terms of job placement with Syncrude and Bechtel as compared with the building of GCOS nine years ago. All of us learned from that experience.

* Credit must be given to our funding agency - Manpower & Immigration, The Native Outreach Advisory Committee and the sponsorship of the Alberta Native Development Corporation.

MURIEL VENNE

- Co-ordinator Of Native Outreach

Brief Background:

- Three years University training towards B. ED.
- Began work with Metis Association in 1970 as department head of Job Opportunities and Placement.
- Developed proposal for Intensive Job Counselling to Federal Department Of Manpower & Immigration.
- Developed the Outreach program under the Metis Association of Alberta including hiring, training, recruitment of six Native Job Counsellors, opened three offices in the north.
- Expanded and developed the Native Outreach program under the sponsorship of the Alberta Native Development Corporation with total of twenty-six (26) staff, eleven (11) offices in Alberta.
- Provincial candidate for the New Democratic Party.
- Board Member of the Canadian Criminology And Corrections Association, (Federal)
- Divorced, Mother of four children.

* * * * *

F PRAGINS
C Chairman of the Board

February 13, 1976

Ms. Muriel Venne
Co-ordinator
Native Outreach of Alberta
10172 - 117 Street
Edmonton, Alberta T5K 1X3

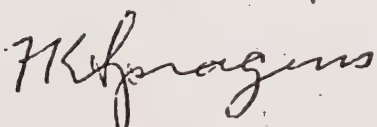
Dear Ms. Venne:

I am pleased to communicate our support for the work of the Native Outreach program as it assists our native recruitment and hiring programs in Northern Alberta.

As you know, for several years we at Syncrude have felt that, in our manpower planning, we must make every effort to maximize both construction and operations job opportunities for natives. This determination is borne out by the fact that between 500 and 600 native persons are now employed on construction of the Syncrude Project, and our programs to train and hire natives in operations are moving ahead firmly.

In all of these efforts, the assistance of the Native Outreach program in communicating Syncrude job opportunities to native persons, and in bringing feedback from native communities to Syncrude, is invaluable. We look forward to a continuing co-operative relationship with you.

Yours sincerely,



F. K. Spragins

FKS:jn

Canadiar Bechtel Limited

Engineers - Constructors

10621-100th Avenue

Edmonton, Alberta

Tel. (403) 429-3461

Telex 037-2676



Mail Address: P.O. Box 2221, Edmonton, Alberta T5J 2P4

February 23, 1976

Mr. R. Gates
Provincial Director of
Manpower - Alberta
10th Floor, Petroleum Plaza,
N. Tower
9945 - 108 Street
Edmonton, Alberta

Dear Sir:

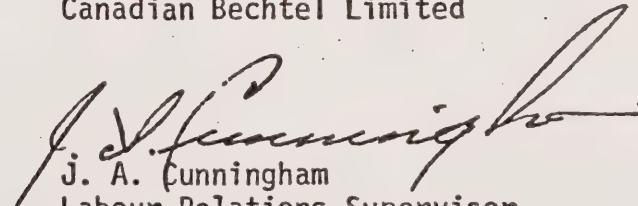
In view of the current assessment of the Native Outreach program, I feel it is appropriate to express the views of Canadian Bechtel Limited.

In our opinion this body has bridged a long standing gap between the native populace and the employer. Not only have they effectively maintained a roster of native personnel available for hire but those referred through Outreach have displayed more desirable characteristics in safety, performance and job retention. A favourable rapport has been established between the Outreach personnel and a number of the union officials resulting in an increased awareness within the native community of union structure, job opportunities and qualifications.

Canadian Bechtel Limited thereby endorse continued participation by Native Outreach in the staffing of the Syncrude construction force.

Yours truly,

Canadian Bechtel Limited


J. A. Cunningham
Labour Relations Supervisor

JAC/vec

cc: K.I. Clarke
G.B. Leask
W.J. Gibson

✓ returned to Mr. B
MR. COMMISSIONER:

Copy to Board
Hallmarks
John Stevens

OUT IN BY H. Cardinal

I welcome the opportunity to share with your commission, the experience we gained as we attempted to ensure the involvement of our people in the development of the Athabasca Tar Sands.

It is our feeling that our experience has direct relevance to the inquiry that you are conducting on the construction of the Mackenzie Valley Pipeline.

Before I begin my presentation, I want to extend to you and your commission official welcome to Indian Country. As you may be aware through your exposure to our brothers the Dene, the eight Tribes of this Province have had the opportunity to meet to confer with Commissions of the Crown whose purpose was to acquire from them their agreement to sharing large tracts of land so that your people could participate in and benefit from the wealth that our country had to offer. It is probably appropriate that your commission should arrive in our Province and more specifically in the Treaty 6 area just as we are in the process of commemorating the 100th Anniversary of one of our Treaties. People celebrate happy occasions. They commemorate tragic events. It is with regret that we welcome you to our commemoration.

Our forefathers passed unto us a portion of their deep unending faith that somehow our creator would ensure justice for our people. It is that which allows us to sit before you. We hope that others will not have to go through the process of high expectation that accompanies resource development especially of the magnitude implied by the proposed Mackenzie Valley Pipeline only to experience the desperate disappointment

which will come when they begin to comprehend the magnitude of the opportunities lost.

One hundred years ago, developers and settlers welcomed the Travels of Commissions for they held out the probability of peaceful settlement of Indian Country. Today it appears that the principle beneficiaries and developers of Dene country want to ensure that as much as is possible the Dene should share in that development. It is ironic to note that while the immediate parties of the Mackenzie Valley Pipeline would like to ensure that fair and adequate resources will flow to the Dene peoples, there are parasites who feel that their self-interest would suffer if the Dene received a fair deal.

The current debate between the leftist ideologues and the reactionary right wing element of your society over the development of natural resources in Indian country is, in some respects irrelevant, but in others extremely dangerous for our people. In our Province, as well as in other parts of Canada, our people were caught for some 50 years between the religious struggles of your Catholic and Protestant religions. The consequences were tragic. The magnitude of the price we had to pay for your religious disagreements are now just becoming apparent to your people as they examine our social casualty statistics. Our 80% unemployment rate stems from our lack of modern skills which in turn reflect the educational standards and objectives set by your competing religious denominations. The numbers of jails, the increasing number of suicides amongst our people, the high number of destroyed

family units, the extremely high attrition we pay to alcoholism all attest to the price our people paid not only because of religious differences amongst your people but perhaps equally important because of your people's inability and/or refusal to recognize the reality and validity of our existence.

A real threat exists today to the Dene people because your people have come up with another struggle. This time it involves so called leftists vs. rightists instead of Catholics against Protestants. In that struggle between your people, the interests and rights of ours are in danger of again being sacrificed.

That struggle is being exploited to the detriment of our people by some morons and closet-racists amongst your people. Morons who think that our people are too simple to have rights but who would scream bloody murder if they thought that theirs were being threatened or closet-racists who now feel that they have latched onto the respectable banner of "the need" by Canada of energy resources or Canada's place and obligation in the world Trading Community. If there were only a few, one could dismiss them fairly simply.

Our concern is not with them. In 1969, when the Federal Government wanted to implement its white paper to do away with our reserves and to end our Treaties, some Indians were contracted to pose as concerned spokesmen of our people whose job it was to question the credibility of our organizations, our leadership and our rights as a people. That ploy did not fully succeed. In 1976, many in Canada are growing concerned with the prospect of energy shortages. Recent elections in this country

and in other parts of the world indicate a swing to the right. To some, the Red fear of the 50's appears to be returning. The general economic uncertainty in this country is beginning to cause anxiety amongst many people.

Our people are increasingly concerned that a systematic propaganda and public relations campaign is being launched in another attempt to divest Indians of their rights by use of closet-racists who will exploit the fears of Canadians in order to accomplish that task. It is this aspect that is of concern.

We are thankful that you and your commission have attempted as far as humanly possible to listen with a sense of fair play to our people and to all others involved with the Mackenzie Valley Pipeline. We wish you well in your coming deliberations recognizing the difficult and seemingly treacherous task which you will be undertaking as you prepare your report to the Canadian people through their government.

We became involved in discussions regarding tar sands development in February of 1972. We were asked to participate on a Task Force concerned with employment and training opportunities in the North. Other Task Force participants included Syncrude, the Alberta Federation of Labor, the Province, Alberta Newstart and the Metis Association. The Task Force began its task with assurance from the then Provincial Minister of Advanced Education, that the Province would support any approach to employment and training upon which a group as diverse as ours could reach. By June we had reached agreement on an approach and submitted a proposal to the Province.

The Proposal

Although we had been assured by Foster of a speedy response, we received none. Unofficially, we were informed that the Provincial Department of Advanced Education had effectively blocked our proposal because they felt that the possible competition would effectively wipe out the need for their Vocational Centers. (Centers which had approximately 50% native people as clientele).

By the fall of 1972 it was clear that the June Proposal had been derailed. Facing an extremely tight timetable if Native people were to be trained in time to meaningfully participate in the Syncrude project, we began a new round of discussions with Syncrude, Bechtel, the Alberta Federation of Labor, and the Provincial and Federal Governments.

The purpose of our meetings was to explore funding possibilities for an Indian-controlled training and development corporation. We were encouraged to prepare such a proposal and received assistance in the preparation.

On February 23, 1973, we submitted the new proposal to the Federal Minister of Manpower (Andras). The proposal requested funds to carry out a feasibility study and run a pilot project to determine whether a Native-controlled and run corporation could successfully assemble, train and employ a Native labor force based on contract work for employers in Northern Alberta.

On February 19, 1973, two days before we made our submission to Andras, the DM of Provincial Manpower (Gardner) wrote the DM of Federal Manpower (DesRoches) opposing our proposal on the grounds that

"it would be much more profitable for a joint approach to be developed which would include employers, federal and provincial governments, and other interested parties". Further he stated, "It may be that a Treaty Indian training corporation is a desirable element of a total program but it is not and cannot be considered as the total answer."

On March 16, 1973, the Minister of Provincial Manpower, wrote Getty (Federal and Intergovernment Affairs) stating "Canada Manpower is prepared to fund the IAA proposal if no other alternative seems imminent ...it is (therefore) proposed that a joint Manpower Planning Group... composed of representatives of Alberta Manpower and Labor, Alberta Advanced Education, Canada Manpower and Alberta's Native Associations be formed...in order to ensure that unilateral action (on the part of the Federal Government) not be taken, it would be useful for the above Manpower Planning Group to be announced jointly by the Minister of Manpower and Labor, and the Minister of Manpower and Immigration."

On April 6, 1973, we received a wire from Andras stating that unless we agreed to participate on the joint working group proposal by the Province, he (Andras) "would be left with no alternative but to regretfully advise (us) that (his) Department cannot provide any assistance to (our) organization for the purpose indicated in (our) brief".

On April 9, 1973, we responded to the Andras wire with a wire of our own pointing out that the Province had been sitting on a joint proposal prepared by all concerned parties for nearly a year.

However, we got nowhere.

Andras insisted he needed Provincial concurrence to proceed.

Hohol maintained that the Federal Government was "using (the Provincial) letter as an excuse (for not funding the proposal) because nothing in the letter says 'don't approve it'."

Spraggins took the position that Syncrude "cannot afford to do anything by way of commitment until we see what they (the Federal and Provincial Government) are doing".

Given the impasse between Andras, Hohol and Spraggins, we turned to the one Government Department clearly responsible for dealing with Indian people on a unilateral basis--Indian Affairs. Indian Affairs responded by offering to take our proposal to the Manpower Development Committee.

Seeing no alternative, we agreed to let the two levels of Government try to sort things out.

On July 5, 1973, Indian Affairs submitted our proposal to the Manpower Development Committee. Questions, probes, budgets, proposals, studies, forecasts and all manner of meetings followed until the end of the year with the limited result that we were added to the Committee, and a Native Outreach Program feeding Manpower Centers, Provincial training institutions, and industry was created.

Still the vast majority of our people did not benefit. Many could not meet entry level requirements for jobs or training; those who managed to get into training programs all too often dropped out; those who got jobs were usually employed only sporadically as temporary laborers.

We therefore proposed to Indian Affairs that we needed our own post-secondary training capability designed to deal with the particular problems and needs of Indian students. Again we were encouraged to prepare a proposal and again we entered into a long and elaborate series of negotiations culminating, finally, in the fall of 1974 when Indian Affairs agreed to support our proposal and recommended its funding to Treasury Board.

Treasury Board referred the proposal back to Indian Affairs with the recommendation that it be submitted by Manpower instead of Indian Affairs; Indian Affairs referred it to Canada Manpower who referred it to the Federal-Provincial Manpower Needs Committee where it was again blocked by the Provincial representative who maintained that the Province had exclusive responsibility for providing post-secondary education and training.

On August 30, 1974, we met with Lougheed and Adair who agreed to a Cabinet-level meeting to discuss the Province's position on post-secondary education of Treaty Indians.

On November 4, 1974, we met with Hohol, Foster, Adair, Peacock and Hyndman who both agreed that the Provincial education system was not working for Indian people, and also agreed that means had to be developed to make existing education programs and facilities available and useful to Indian people. Foster further agreed to arrange a follow-up meeting with senior officials of his Department (Advanced Education).

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On November 15, 1974, we met with the senior officials of Advanced Education including the DM (Worth). At that meeting the DM stated that the Province was prepared "to forge a new relationship with the Association in order to meet the education and training needs of Indian people either through existing institutions, bringing programs to reserves, or helping Indian people develop education and training capacity with the Province's help."

At a meeting on December 9, 1974, we proposed setting the goal of overcoming educational disparities between Indians and whites within a specified number of years. ~~He~~ *He* ~~responded:~~ *responded* "I agree with the general statement that we should close the gap in education and the general terms in one case but in a whole host of other areas we have to look on the specifics of these. I have difficulty with the years through no particular hang-up because I would use the years as guidelines because I think you and the Federal people are talking about and I am recording it horizontally and place in the context of Alberta and particularly in education on this area of which I am prepared to do a great deal of work but in which I have difficulty with a specific number of years. The whole thing

needs to be shaken down into what is the enormity of the job, what resources will it take of yours and ours to get the job done."

At a meeting on December 19, 1974, Loughheed and Adair agreed that it was appropriate for the Province to become involved with the education and training of Indian people.

At a meeting on February 10, 1975, senior officials of the Department of Advanced Education agreed to the goal of wiping out educational disparities in a 5 to 10 year period, and reacted favorably to the idea of the Association operating 10 ~~Community Development~~ ^{Community Development} centers on reserves for the Province. A deadline of mid-March, 1975, was set for working out the details.

~~Also~~ During the week of February 10 Hohol contacted us with information on the new Community Employment Strategy program being negotiated with Federal Manpower. He further promised that the Association would be involved in selecting target communities, and in program implementation and operation.

On February 10, 1975, we gave the Department of Advanced Education our latest proposal developed along the lines discussed with Department officials on February 10. The intent of this latest proposal was to create a means to help Indian people relate to Provincial education and training programs, and also to help the Province relate more effectively to the education and training needs of Indian people.

Department officials received our new proposal favorably indicating that they could see no problem with the approach we were suggesting so long as its acceptance and support did not preclude the Province from responding to the requests of individual Bands.

As suggested by Provincial officials, we also submitted the February 10 proposal to other members of the Manpower Needs Committee. The reactions from both Federal and Provincial Manpower were again favorable.

On February 25, 1975, we received a letter from an official of Advanced Education stating that the February 10 proposal put too much emphasis

on administration (even though the stated purpose of the proposal was to facilitate utilization of the Provincial system rather than create new programs), that the Province could not fund a program which would serve only Indian people (contrary to all earlier discussions specifically concerning Indian people), and recommending that the proposal be submitted to Indian Affairs (in spite of the joint agreement to submit the proposal to the Manpower Needs Committee, and all earlier discussions with the Province regarding potential Provincial involvement in Indian education and training).

On March 10, 1975, Lougheed told us that it would not be possible for the Province to make a decision on the proposal until after the election.

On March 12, we informed Lougheed that we were proceeding with our earlier agreed plans to have the proposal considered by the Manpower Needs Committee.

At a meeting with Provincial and Federal officials on March 17, officials of the Department of Advanced Education said all of the following

things:

- 1.) that the February 25 letter did not represent a Departmental position but rather a collection of views held by officials of the Department;
- 2.) that the proposal was still under active Departmental consideration although the Department had no funds to support it;
- 3.) that officials of the Department had not understood the proposal was being submitted to the Manpower Needs Committee as well as Advanced Education;
- 4.) that the Department would not consider funding a proposal intended to serve only Treaty Indians;
- 5.) that the Department was planning to locate from 20 to 50 new CVCs in areas of need, including on reserves, just as soon as the Provincial Government approved a proposed program expansion recommendation.

Also at the March 17 meeting the Federal and Provincial officials agreed as follows:

- 1.) that the Provincial Indian and Metis Liaison Group would coordinate a Provincial response to the February 10 proposal;
- 2.) that the Indian and Metis Liaison Group would inform the Association of the timetable for decision within a couple of days;
- 3.) that both the Provincial Departments and the Manpower Needs Committee would be ready with a response to the proposal by mid-April, 1975.

On March 20 the Manpower Needs Committee met and discussed the February 10 proposal. At this meeting the representative of Federal Manpower opposed the proposal on the grounds that it was redundant with both the Community Employment Strategy, and the Federal Manpower Task Force on Manpower Services to Native People -- both of which, he said, had significant Native involvement and support. (In fact the only involvement we had with either of these efforts was

when Hohol promised to involve us in the CES Program but failed to do so, and when someone from the Task Force made an appointment with us to tell us about the Task Force but never showed up.)

At a meeting on April 16, 1975, Hohol reviewed the history of the February 10 proposal, stated that he (Hohol) found the confusion, contradictions, broken commitments and delays inexcusable, and instructed his senior staff to provide him with recommendations to discuss with Lougheed within the next two weeks. Hohol further stated that we would know of his position on the proposal "within hours" of the time he received his staff's recommendations on it.

Hohol received the recommendations of his staff people on May 9.

On May 13 we phoned Hohol to ask about our proposal but he was "unavailable." We left a message and were assured he would phone us back as soon as possible.

On June 18 we received a letter from Hohol informing us which communities had been selected as CES target communities, and who within the

Provincial Government we could contact should we wish more information on the program.

On June 25 we responded to Hohol's June 18 letter by pointing out that he had effectively reneged on his commitment to involve us in the selection of target communities, and stating that we assumed he was also reneging on his commitment to allow us to participate in program implementation and operation.

Also on June 25 we wrote Hohol asking for the courtesy of a response to our February 10 proposal.

In early July Hohol phoned and proposed a meeting to try and straighten things out.

We met with Hohol on July 9, 1975. Hohol agreed to contact Andras "to see if any adjustments can be made in the Community Employment Strategy, possibly substituting or adding one of your choices, and, probably in one case at least, have the IAA work with (the Province) in implementing the program." Hohol further agreed to establish "a departmental-ministerial committee to

work with you and me to develop a likely training program." "Start-up programs," Hohol said, "should begin in September of this year (1975), with more complete areas to be planned for September of 1976.)

A series of meetings with Hohol's staff followed the July 9 meeting with Hohol. The proposal was revised, new budgets were prepared, support data was collected.

During the first week of November Federal Manpower phoned and asked for a meeting to discuss what the Association would like to see in the area of Manpower training. A meeting was set for November 7, 1975.

Also during the first week of November the Chairperson of the Federal Task Force on Manpower Services to Native people asked why we had withdrawn the proposal which we had submitted to Indian Affairs, which Indian Affairs had referred to Manpower, which Manpower had referred to the Manpower Needs Committee. He said Manpower was just about to fund the proposal when we had withdrawn it.

We pointed out that we had not withdrawn the proposal, but that it had rather disappeared into the dark, damp depths of the Federal and Provincial bureaucracies.

On November 7 we met with Federal Manpowers new Director-General for Alberta, told him what we had learned about our proposal almost being funded, and asked if he could check on its status for us. He promised to get back to us in a few days.

On January 9, 1976, we met with Buchanan in Calgary.

On January 23, 1976, Syncrude submitted its most recent proposal to the Feds.

On February 20 Hyndman wrote Buchanan opposing any written guarantees of Native employment with Syncrude.

On February 27 met with Walchli who claimed Syncrude had made concessions.

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On March 1, Walchli wrote letter spelling out Syncrude's "con-
cessions."

On March 8 wrote Walchli spelling out position on 30% employment.

ALLAN NOBERLY
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MACKENZIE VALLEY PIPELINE

I am relating my views on behalf of the Native people's, my brothers and sisters north of the 60' parallel knowing and understanding their characteristics, their life styles, their temperament, their culture and traditions and religious beliefs.

We are, a serene peaceful people. From time immemorial it has been so until the white man came--we are communal in mind and spirit--we have many different spiritual beliefs--spirit for the wind, rain, sun, moon, but so did the Greeks and Romans. We also believe in the Almighty--we call Ketchi Manitou in my own language--you call yours 'God'. We share in common our life styles--heritage, tradition, cultures--our fortunes with whomever we are in contact with--our families, our relatives, our neighbours, our friends--when hardships confront us we do not stand alone--everybody suffers and with everybody pulling together--we have survived for many moons. When the weak, the old suffer they are not alone and put in strange surroundings to be looked after by strangers--they are cared for by relatives, neighbours and friends. They remain as members of the community because we take time to look after our own.

We are not individualistic--we don't have to have big houses, big cars, make fantastic wages and wish for more. We do not have to have the best of everything. This is going against the grain of our very own tradition, culture and heritage.

Our temperament is very much related to our way of life--moderate, no pressure and no cause for alarm. If somebody says be at my office for a three o'clock appointment - fine - if we do not make it - there is no cause for alarm. Tomorrow will do - or the next day. A common joke pulled on me quite often by white people -- somebody says be at some place at one o'clock tomorrow afternoon then he'll turn around and say my time - not Indian time--not by your clock. If I'm late then it was because I did not hurry or worry about getting there on time. I did not put emphasis on having to do something on time a must--but if must be done then it will be done in my own good time.

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but it must be done then it will be done in my own good time.

Ladies - Gentlemen--this does not work in the White Society. Believe me I know I have lived with the white man for 25 years -- ate his food, drank his booze, worked with him, earned his money, drove his cars, lived in his houses and learned his way of life and his customs.

But in doing so I had to forgo 25 years of my own life because there was not room or time to live with both or enjoy either. Because once you get caught in the stream there is no turning back you don't just swim ashore and return -- because the idea that you will be somebody in somebody else's world also takes root, you keep going until it's too late. It wasn't that hard to integrate-- life was fascinating doing things the white man's way - growing and learning but there are obstacles -- many obstacles -- prejudice, discrimination, alcohol, language, drugs, lack of education and laws to name a few.

But I overcame most of these - became a member of society, accepted the new way of life and drifted along well enough--but after 25 years - I wanted to get off and return, get back some of the culture and tradition I had to forgo. But for me it's too late--there is no returning - at this moment I'm a Man without--I'm accepted in Society as a member but deep down I'm still a Native-- I no longer have the way of life but I wish for -- I miss it.

Society says to integrate -- the government says to integrate -- we will give you grants, funds for you - you name it - you've got it - education, food, industry and welfare.

To expect these people to fall into ~~place~~ into the mainstream of Society is wrong--to expect them to adjust on 10-25 years time is wrong. Certainly - it's easy to say -- it's easy to put it down in black and white and programme it for them -- when as far as I'm concerned - their ideas and proposals have not been translated properly. They are mistreated by Society and government. Government is society -- as members of the population per se yet their beliefs, their heritage culture, tradition, ~~(the language, culture, tradition)~~ their pleas for help are totally ignored -- because money talks. Because money has power and to me it seems that it has become a second God. They will be totally trampled over -- because to these people our brothers and sisters -- money is only temporary -- the jobs opened up by this Mackenzie Valley Pipeline will be only temporary and when the project is finished -- only the chosen few will have jobs to maintain and run this pipeline because automation decides how many people will be working.

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When this Mackenzie Valley pipeline project starts up--the labor force that will come there looking for work will be large enough to eat that pipeline, not only install it -- so our brothers and sisters are going to be automatically put on competition basis for these jobs. On these basis what Corporation will guarantee or even say -- if you have a work force of 200 in your village -- we will hire them all.

We know this is a physical impossibility to begin with because - out of these 200 maybe 25% maybe - will be able to meet the levels of skills required by these Companies. Then what?

What about the other 75% - any drastic change will affect these people -- all the people.

Yet only a few can accept and will be hired for the promised jobs -- any drastic changes such as a blow-out in the Beaufort Sea -- or a change in the Caribou migration route will affect the population per-se cause untold hardship upon these people.

Why? - because Government says we must have the oil shipped. We must have the money to develop more industry, we must make progress.

If this were to happen - who will be responsible for moving maybe villages of these people--who is going to cover the expenses--who is going to do the organizing -- or will they have to get together and cry for help again. If this is a form of integration then clearly it can be understood why they need our help. They want to be prepared. A 10 year moratorium is a very short time and this I understand is what they're asking for.

That is only enough time to settle on the best route the pipeline should take and give technology time to prepare for any disastrous ramifications that could result from this project.

As far as integration into society-time and only time has the answers plus the willingness of societies themselves to try and understand the why's, the cultures of people are the way they are.

Until we get the proper understanding to start filtering through we will continue on the way we have been for the past 200 years for God knows how long into the future.

To make the people integrate into societies when it is against their own wishes is not integration but social genocide. This is my own opinion.

LADIES AND GENTLEMEN

Thank You.

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LADIES AND GENTLEMEN

Thank You.

Mr. Commissioner:

Planned Employment Programme

To locate and place native people into industry on an organized programme; this will take time.

Once an industry says they will accept a percentage of native people as part of their labour force, then we will have a beginning to go into operation.

If it involves 200 native people then we can select a percentage of these to establish a basis. To establish this basic idea, these people would be qualified and experienced, know the native language and culture and understand their own people, and be able to go into supervisory positions. After these people are located and placed, then we have a base for hiring from the general native work force at large. We would have people who will understand new hires if they're shy and have a lower education, inexperienced, then they will be able to help them along on the job. These people when they become a part of the labour force; when they get the assistance and understanding they need on the job, then we are well on the way to wiping out the stereotyped Indian; the drunk and lazy, inept, the unwilling worker. On this the real reason sometimes is only a lack of understanding or a misunderstanding, through lack of communication.

We are also on the way to wiping out short term employment- terminations through misunderstandings - lack of communications.

With the establishment of a competent native labour force in industry with a sound basis for with which the native can be employed, Only then will we have an integration of native people into industry on its proper perspective.

Only with a system like outlined will we be able to give service to the employer and management. Our people would be an asset on long term benefits.

With a permanent job, satisfaction in knowing that he is doing a good job, he will go on and gain more status in the community and earn the respect and confidence which he is entitled to and has a right to enjoy.

Objectives -

Methods -

Integration -

Service Benefits - Industry - Employee

Labour Force Objectives in Alberta

Mr. Commissioner:

As local members of the Committee for Justice and Liberty, we thank you for allowing us to express our concern about the proposed Mackenzie Valley natural gas pipeline. The C.J.L. is a national organization with 250 supporters in Northern Alberta committed to the development of political, economic and social policies based on Christian principles of justice, stewardship and compassion.

Your inquiry has shown the Canadian public dramatic evidence in the past months that pipeline construction in the North is much more than an economic question.

Canadians are being forced to ask themselves: Are the economic advantages of the proposed pipeline worth the high price of human sacrifice that will undoubtedly be extracted from northern peoples? Is the pipeline worth the strain on one of the last wilderness frontiers in North America? What price tag will the pipeline carry in environmental damage? Canadians must probe to the roots of a basic challenge: how can land and resources be used for the total human growth of all Canadians? We must ask ourselves what are the goals and priorities of Canadian society.

These complex questions are too vital to go unanswered. Before a pipeline is pushed through, Parliament and the Canadian public need time to resolve native land claims and to set a fair and equitable national energy policy. We need time to consider the direction in which the pipeline development will take Canada's North.

Time is available. That was proven in the recent hearings of the National Energy Board. For the next 34 years, a supply of gas is secure--if the government takes responsible action in the areas of deliverability, conservation and export cutback. (See Appendix)

Therefore, we come before this Commission to ask for a 10-year moratorium on all proposals to transport northern frontier oil and gas to the South.

Our call for this moratorium is based on our concern for justice. We understand Biblical justice to mean more than legalities. Justice is done when every person is allowed to respond freely to God's creation and call. We are concerned about the destruction of this freedom.

Consideration of what is fair and equitable for the Dene and Inuit nations will require time. Why the rush? Should a desire for profits and royalties take priority over the total wellbeing of these people and all Canadians?

Experience as Albertans, as well, makes us aware of the negative effects a pipeline development can have on the people of the North. In Alberta, we know the emptiness of a culture where economic values are worshipped and human needs ignored. Our province's capital is being invested in highly technological industries while hospital waiting lists grow and grow. Alberta's energy-based wealth has not increased the wellbeing of the province's people. In all of southern Canada, we see that the economic-growth-at-all-costs theory has not produced a secure and stable society.

In the North there is still hope that natural resources can be tapped with a responsible concern for the quality of human life. Perhaps the North can yet be the breeding ground for change towards a multi-dimensional development in Canada--development that recognizes more than economic values.

But that sort of change to increased cultural awareness and social involvement requires much more than a legal settlement of native land claims and the implementation of environmental safeguards. For the proposed develop-

ment in the North is the carrier of a way of life. How familiar we southern Canadians are with that highly technological, fast-buck existence. It is a disease that destroys man's freedom to respond to God's creation.

The materialistic, consumption-oriented value system we live with day after day contradicts the basic life styles of northern natives. Faith in economic growth as the way to happiness is the basic motive behind the pipeline. It forms the dominant drive for planning, working and living in our culture. That article of faith is the basis for the hope of better things and as such is a religious thesis, uncritical and unexamined. Western man sees production and economic growth as our only hope for the future and manipulates nature to achieve this end.

In stark contrast, the native's religious conception sees nature as sacred--not just a dollars and cents commodity. Man is expected to respect his natural environment and to be in harmony with the spirits there as his forefathers were. To ask the native people to support a pipeline through the Mackenzie Valley is to ask them to worship a new god--the god of progress, science and technology. We cannot sit back and allow the native people to be forced into accepting a life style antithetical to their own.

Canada's railway building binge and the aftermaths of other massive industrial projects are a depressing testimony to the misery that resulted when Indian people were forced to live with "economic progress". Evidence from other parts of the world, such as Brazil, presented to this inquiry earlier, demonstrates the same tale of destruction. To trample on the way of life of another people in the name of progress is violence and injustice. Financial compensation will not erase the corporate blame that lies with all of us here in the South.

We speak to this inquiry as Christians who believe that land and resources are more than mere pawns in a buying and selling game. We believe the land to be a trust from the Creator to be used for a full life for all people. We believe Canada must become conserver-oriented rather than consumer-oriented in its use of natural resources. Instead of producing energy to meet present demands, thereby encouraging even greater demands, reductions and restraint must be promoted.

If a moratorium is instituted, the government and the people can stop the supply-demand treadmill to develop an overall plan for responsible use of our resources. Energy resources, for example, must be shared with those nations who need our wealth most--not greedy customers who refuse to exercise restraint.

We believe a moratorium will give the government and the people of Canada time to accomplish the following objectives:

I A just settlement of all Indian and Inuit land claims:

The Dene and Inuit recognize that land is more than a commodity. The Mackenzie River Delta is a centre of Dene and Inuit culture. Before development begins there, the interests of people most closely tied to the delta must be respected. If our courts should come to the conclusion that aboriginal rights are not sufficient to warrant a finding of legal titles on the basis of accepted principles of law, those rights should be legislatively declared to be as valid as legal titles. We believe in a settlement in the spirit of the Dene declaration, not the James Bay resolution. Justice can only be exercised in an atmosphere free of the strain of rapidly-progressing development. Thus we believe land claims must be settled before development begins at all. Furthermore, they must

be carried out in a native context with regard to native ways. Anything less will result in negotiations that are a charade and a mockery of justice.

II Native control of economic development;

In keeping with the aim of true justice, the native people must be given the freedom to develop their land in a way that is consistent with their religious values. The accusation that the native people are not motivated to develop their land grows out of southern Canada's adherence to the belief in maximum economic growth. We ask this inquiry to support the native peoples' desire to share with those in need in the third world countries, rather than to fatten the already rich. Sharing is a basic characteristic of the native way of life. But the Inuit and Dene see greed, not people in need of sharing, in the proposed pipeline development.

Native control would also allow for slower development of a permanent economic base to support native society. A forced, fast development offering temporary jobs with no tie to the rest of northern life would be fatal to the human environment. Southern technology and expertise could be used to aid development in the context of northern culture.

III Environmental safeguards;

Testimony before this commission has shown the likelihood of environmental damage in many areas. Bird and other animal migration patterns will be altered. Life in the 300 rivers and streams will be endangered. Small scrapes may greatly damage the delicate permafrost layer. At present there is

no adequate technology to handle pipeline breaks or leaks without great damage to the area. We are not satisfied that adequate environmental safeguards have been developed for these known dangers. Nor has adequate research been done into other possible effects. The moratorium would allow for the completion of many studies and the consideration of alternate routes which may be less hazardous.

IV Formulation of a national energy policy;

Stewardship demands that conservation replace consumption values in our use of energy. Our national energy policy must reflect this. During the moratorium the federal government could concentrate its efforts on public discussion and development of a national energy policy based on human growth values, not just economics. We believe a national energy policy should include the following:

1. A significantly reduced increase in per capita use of energy through both waste-elimination and demand-reduction programs.
2. A concentrated national effort to develop alternative sources of energy. The desire to carry out this research is present, but government support has been meagre.
3. The settling of just royalty and tax provisions to ensure that private companies develop resources for public rather than private benefit.
4. The curtailment of oil and gas exports to the U.S. to encourage conservation there as well.
5. The export of surplus energy to struggling third world countries at a price based on costs, not market demand.
6. The use of natural resources to enhance total human well-being, not more economic growth.

V Encourage discussion on alternative lifestyles;

A moratorium would allow time for the federal government to promote a shift in energy-demand patterns. Through its tax structures, the government could withdraw benefits from high, energy-consuming capital-intensive industries. This would encourage the development of more efficient durable products.

More and more investment by governments in energy development can only lead to less social development. Former Energy Minister Donald MacDonald said the government's \$115 billion investment in energy projects over the next decade can only mean less capital for hospitals, housing and schools. We believe all Canadians should participate in making the crucial choice between investment in energy development or investment in social development.

Our request for a moratorium will be supported by our own efforts in promoting public discussion, research and involvement in decision-making processes on the matter. We promise to support all government policies that aim to reduce energy demands.

Mr. Commissioner, there is still time for discussion. We urge you to press for a moratorium on massive projects such as the MacKenzie Valley pipeline. Canadians need time to engage in responsible decision-making about the North and about the future of all citizens. A rush to build will be fatal. Thank you for taking time to listen.

Our conclusion that there is at present, 34 years' gas supply left, is based on the following considerations:

I Established Non-Frontier Reserves 17 years

In its 1974 Natural Gas Supply Report the National Energy Board (N.E.B.) estimated established non-frontier natural gas reserves at 60.6 trillion cubic feet (tcf). This is sufficient to meet growing domestic demand and existing export commitments for 17 years.

The reserve figures on the basis of which the N.E.B. came to its conclusion are almost two years old. When those figures are updated (as they will be in Phase IV of the current N.E.B. Mackenzie Valley Gas Pipeline hearings) to reflect the results of recent Alberta and other southern Canadian drilling activity, there is every reason to believe the picture will be even more encouraging.

The N.E.B. gas supply report said that established southern reserves could not be delivered quickly enough to meet the gap developing between supply and demand.

In its April 12, 1976 statement to the N.E.B. Mackenzie gas pipeline hearings, Alberta Gas Trunk Line said:

We shall be giving evidence in Phase IV to show that the whole supply picture in Alberta has changed dramatically over the past year. As a result of increased deliverability from Alberta the emergency need for gas from Beaufort Basin has vanished. (N.E.B. Transcripts, April 12, pp. 117-118)

These developments indicate that the 17 year figure may well be a very conservative estimate.

II	<u>Conservation by Waste Elimination</u>	4 years
III	<u>Conservation by a reduction in domestic use</u> <u>Increase from 2.2 times to 1.5 times by 1988</u>	3 years
IV	<u>Export cutback of 10 tcf</u>	7 years
V	<u>Acceptance of Alberta swap proposal</u>	3 years
	TOTAL	34 years

Mr. Betty Taylor May 17 1976

I cannot speak on behalf of our northern native people in this inquiry as I have neither the experience, information, or eloquence. However I can speak as a citizen of Edmonton and Alberta who is opposed to the McKenzie Valley Pipe Line and its effects on the cities and towns of Alberta.

Our Premier stated in the legislative assembly that the pipeline was not economically essential to Alberta. May I go one step further, Alberta cannot afford the McKenzie Valley Pipe Line, not financially, physically or morally.

We have in the last 75 years developed and lost a number of small towns in boom town situations. This was brought on by coal development. We are now in the process of doing the same thing in Fort McMurray with Syncrude.

There seems to be four common phases of attitude toward boom development.

The first is enthusiasm with anticipation of growth (this is the stage Edmonton City Council is at.)

The second is uncertainty, particularly among the elected officials as to what the demands for public services to meet the growth might be.

The third phase is near panic over the gap between the prospective revenues and expected expenditures.

Finally there evolves a problem solving attitude as officials and the public start trying to understand what the problems are and how to find help for them. As far as I can see Fort McMurray is between stages 3 and 4..

However all these take time and time with the pipeline is something we won't have.

Right now in Edmonton we have a housing registry in the 5 months it has operated it has taken 1500 applications for housing a ratio of 6 applications for each vacancy. As of this week we have 307 rental units available, this includes houses, apartments, and duplexes. City Planning Department suggest that we need 10,000 houses in the next 10 years. New houses are being built, but not at this rate and at very inflated prices. The new communities have very few services, several of them have not local schools, the children are busses. No door to door mail delivery, very few if any recreational facilities

poor bus service, and other public services come to them from central cores which are quite a distance away, such as Fire Department and Ambulance calls.

This is our condition now. We operate just below crisis level at this time. How on earth ^{can} we handle thousands of new people who, by nature of their work come in on a transient basis.

If this pipeline construction will impact a city of $\frac{1}{2}$ million like Edmonton what will it do to the little towns up and down the development. After the workers go, and go they shall we will be paying the taxes on facilities developed basically for them. We in Edmonton, because of our size can absorb a loss but again what of our smaller towns. I fear that many shall simply fold up as has happened in the Coal Branch region when the coal development passed.

And morally, how can we who see native problems in our town not take a stand against anything which shall further deprive these people of their pride in their race and in their land.

We in Alberta have gone to great expense to develop heritage programs. What right have we to deprive another group of their heritage.

When our government, provincial or ~~that~~ federal prove to me that we have exhausted all possible gas and oil reserves in Alberta and Sask, when the need is great and not politically feasible then perhaps I shall reconsider this brief, but not at this time.

Thank you

MAY 18 1976

SENATOR INQUIRY

Submission: CANADIANS FOR RESPONSIBLE NORTHERN DEVELOPMENT

The tabled Mackenzie Valley Gas Pipeline has met with increasing Nation-wide criticism, and for good reasons. In 1968 Canada and the U.S. alike assumed that there were limitless quantities of natural gas in the Mackenzie Delta. I should like to emphasise that the total proven natural gas reserves in the Mackenzie Delta are a mere 8.9 TCF., sufficient only for Canadian domestic requirements for two and a half years. This is considered to be 15 TCF. short of threshold volume to support an all-Canadian pipeline, and 10 TCF. short to support the joint American-Canadian proposal. In fact, by world standards the oil and gas basins are of moderate size, and our Canadian proven reserves are estimated to amount to about 2% of the world's total.

Above all, natural gas and oil are non-renewable. Yet we continue to honor export commitments of .947 TCF. per year, fully 19% to the United States, of our annual production, in 1975. Canadian domestic requirements can be adequately met for some twenty years from conventional sources. To bring Mackenzie gas onto the market in the near future would only increase the exportable surplus, by the multinationals' definition, and shorten the Canadian natural gas life-index. The multinational corporations' current bate to the Canadian government is for "short-term" contracts. The United States, with just 6% of the world's population devour one third of the ~~planet's~~ annual energy flow. By the same token, 48% of all energy used in this country is wasted so said Ruth MacDonald, wife of the present Federal minister of Finance, when she spoke recently to Women's Canadian Club. Is it right to bring Frontier gas and oil on stream at a time when the efficiency with which it is used is so very low? Furthermore should Mackenzie Delta gas be exported to the United States to maintain and expand their industries? The Northwest Territories and the Yukon have considerable mineral wealth, such as lead, zinc, copper and iron ore. To extract and refine these minerals, the fossil fuel in the Mackenzie Delta will be needed, for orderly Northern Development.

To reinforce what I have just said, let me quote from our capital city newspaper, an editorial from a recent Ottawa Journal:

The increasing doubt surrounding the viability of the proposed Mackenzie Valley gas pipeline--as reflected by Indian Affairs Minister Julia Buchanan in Yellowknife the other day-- is a symptom of the change in attitudes brought on by the slow and painful education of Canadians to the facts of petroleum life. Apart from native rights and economic, social and environmental impacts, the pipeline may simply not be justified on the basis of the small proven reserves of gas in the Mackenzie Delta. Yet five years ago it seemed a foregone conclusion the pipeline would be built before long.

CANADIAN PACIFIC HAS PIPELINES LIMITED ONE OF THE TWO PRIVATELY OWNED BEFORE THE NATIONAL ENERGY BOARD AND THE DEPARTMENT OF INDUSTRY AFFAIRS AND COMMERCE GOVERNMENT HAS APPROVED THEIR COST SHARE FROM 2.7 BILLION IN 1971 TO 7.5 BILLION DOLLARS IN 1976, WITH STILLING FILL, CHILL, PERIOD IN EIGHT YEARS.

PART OF THE UNCERTAINTY IS DUE TO THE FACT THAT CANADIAN PACIFIC HAS PIPELINES LIMITED HAS DONE NO FURTHER INTO FINAL DESIGN STAGE THAN THEORY AND ASSUMPTION.

THE COMMISSION'S ASSUMPTION HAS BEEN THAT COMPLETION OF THE FINAL DESIGN WOULD COST "RISK MONEY" FOR THE FIRST SEVERAL YEARS ASSURANCE WERE RECEIVED THAT REGULATORY APPROVALS WOULD BE FORTHCOMING.

MEMBERSHIP IN THE "CANADIAN" COMMISSION HAS SHRUNK TO ONE HALF FROM 27 SINCE THE APPLICATION WAS FILED WITH THE REGULATOR 21, 1974.

among the remaining members are:

1. SUBSTANTIAL NUMBER WITH NO CANADIAN INTEREST;
2. A NUMBER OF CANADIAN COMPANIES;
3. COMPANIES WITH LESS THAN 50% CANADIAN INTEREST, WHICH ARE LARGE MULTINATIONAL ORGANIZATIONS WITH MAJOR FOREIGN OPERATIONS WHICH CANNOT BE CONTROLLED BY CANADA'S FEDERAL GOVERNMENT.

WHAT POSSIBLE CONTROLS COULD THE ANTI-INFLATION BOARD HAVE OVER THESE?

THE PETROLEUM INDUSTRY HAS ADVISED OUR GOVERNMENT THAT NEW CAPITAL INVESTMENT OF ROUGHLY 100 BILLION DOLLARS AND RESOURCES FOR ENERGY RELATED ACTIVITY OVER THE NEXT DECADE. THE IF QUESTION IS WHETHER IF CAPITAL IS NEEDED IN THE M.T. THE M.T. PRODUCES 2.1% OF CANADA'S TOTAL MINERAL PRODUCTION. THIS REPRESENTS 170.5 MILLION DOLLARS COMPARED TO AN OVERALL SURPLUS OF 210 MILLION DOLLARS.

Traditionally Canada has welcomed foreign investment in large measures for which we have been obliged to return our surplus raw products such as crude oil and natural gas. In the first place these non-renewable hydro-carbons should never have been classified as export commodities. Now that the country is awakening to this fact, there are indications that even the Prime Minister is less enthusiastic pertaining to matters of mutual concern as a means of improving Canada-United States relations. To illustrate my point, I have observed the following exchange in the question period in House of Commons last Thursday, May 13/1976.

Hon. Kedge Hees, Progressive-Conservative Member from Prince-Sawara-Nestings: ---"Is the Prime Minister considering the suggestion made by the committee of congress, that he should go to the United States once a year and address a joint session of the Senate and House of Representatives on matters of mutual concern as a means of improving United States-Canadian relations? If he considers that a constructive suggestion, is he willing to get in touch with the President of the United States and suggest that this be done on a reciprocal basis once a year?"

Mr. Trudeau made absolutely no response. Later when Mr. Hees tried again to put the question he was not able because there was not unanimous consent in the house.

The proposal by the second applicant, which is foothills, offers little if any improvement, being also export orientated.

are of Canada and will do it at the hearings that the pipeline will cause minimal disruption to the land it is on.

under." And it is not
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There is no consent in the House.

could cabinet decide against both of them, or delay its decision, the United States might decide in favor of the Alaskan project which would move Alaskan natural gas to Valdez, liquify it, and transport it by tanker south. More than 100 of these who endorse the Trans-Alaskan route: National Conference of Lieutenant Governors, National Society of Professional Engineers, Western Conference, Council of State Governments (44 states), Western Governors Conference, Seafarers International Union, United Plumbers and Pipefitters Union, Maritime Trade Council, and others, Seattle Chamber of Commerce, Governor Jay Hammond of Alaska, Alaskan State Chamber of Commerce, Alaskan State Federation of Labor, Alaskan Federation of Nurses, Port of Seattle, and many more.

North is the only other proposal that has merits to bring Alaska gas south. A recent proposal has come from Northwest Pipeline Corporation of Salt Lake City to use the interior route through Alaska to Fairbanks and then down the Alaska highway to Fort Nelson, B.C. and thence by existing pipeline of west coast transmission to the south. This route would entirely avoid the fragile permafrost terrain of the Mackenzie valley.

Recent evidence brought before the National Energy Board by the petrotechnical group, headed by Dr. Clark of CNAEL testified that the most stringent requirement the applicant could face to keep the 48" pipeline in place in the permafrost would be a fifteen-foot deep trench with a ten-foot overburden. Dr. Slusarczuk also testified on behalf of the applicant, that ice-lensing in permafrost is a very critical phenomenon. The frost-bulb increases in size to such a proportion that the pipeline could become buoyant and lift out of the ground. Stress complications could occur on the metallurgical steel, unless sufficient safety precautions are taken. Some of these are ice-anchors, water flood freezing the pipeline into the ground, swamp and river weights to be added. All of this stands to raise the cost of the pipeline immeasurably. Of gravel alone 5 million cubic feet would be required, by the latest estimates, as testified at the current N.E.B. hearings.

There are several reasons for delaying the building of a pipeline from the Northwest Territories at this time:

1. The Delta reserves are owned by foreign producers, and sold to American Distribution Companies.
2. Phasing out of natural gas export to the United States must be a reality before frontier gas is brought on stream.
3. The Political Climate in the Northwest Territories is very unfavorable at this time toward superimposed rapid northern development.
4. Increasing deliverability of the natural gas from the Western Sedimentary Basin is mandatory now instead of bringing in frontier gas.
5. The throughput capacity of Trans-Canada Pipeline should be increased as necessary to carry additional volumes of western Canadian natural gas to Eastern Canadian markets including the Maritime Provinces.
6. Canadian Natural Gas must be made available to Vancouver Island at the earliest possible time.
7. Natural gas should not reach commodity value on the Canadian market.
8. New Natural Gas supplies can be quickly depleted as feed-stock for new and expanding existing petrochemical plants, unless the National Energy Board thoroughly scrutinizes the end use of these applications for Natural Gas supply with ultimate export enticing the secondary industry.
9. Canada urgently needs a comprehensive energy policy, much more stringent than the well-researched and recently published paper titled Energy Self-Reliance, tabled by the Department of Energy Mines and Resources, headed by the honorable Alistair Milespie.
10. In order for the National Energy Board to thoroughly assess Canadian needs and supplies of all fuel resources, a ten year delay should be imposed on the building of any pipeline from the Northwest Territories.

Nothing should be done by way of northern gas pipeline construction until Native Land Claims are settled. In this regard, I have this letter from Mr. Morte, president of CNAEL. Quote:

--you are aware, I am sure, that any pipeline interest is granted the right to cross lands regardless of ownership, with the landowner being compensated. Compensation is negotiated, or if no agreement, is arbitrated. We believe the same procedure to be as appropriate in the north as it is in the other areas of Canada and we will take the hearings that the pipeline will cause minimal disruption to the land it is crossing.

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or failing agreement, is arbitrator. We believe the same
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areas of Canada and we will not be the parties that the
pipeline will cause financial disruption to the land it is owned
by.

Mr Justice Thomas Berger

Imagine what it's like to walk in the other person's shoes for awhile.

I am reversing the situation where the whites are set in the position that the Dene are in today.

To begin with:

We, the Dene, are proposing a pipeline which is to be built through your land.

We, the Dene, are proposing this pipeline in order to live our lives in comfort. (And yours, too!)

In building this pipeline, we, the Dene, offer specialized trainings; leading to jobs and many benefits, to you, the white society, (as you are doing to us.)

We will listen to and consider any suggestions or complaints which you may have, providing you follow our policies as set forth.

And this is the situation and procedure which we, the Dene, are presenting to you, the white society.

Should you not choose to abide by that which has been proposed, you then leave yourselves subject to ^①exclusion, ^②from being a participating factor, and ^③from the enjoyment of being beneficiaries of our money-enriched society.

In conclusion, when this white society has tolerated all that it can, and feels the frustrations and built up pressures so keenly that these feelings can no longer be ignored, then this white society

EXPLODES

I feel that because of the exploitations of this
money-enriched society, this proposed
pipeline should be stopped.

With the help of a couple of special friends.
Esther Lucier
Thank You.

GRAND & TOL
L26-2326-1